



# DRAFT BUDGET

**2017/18- 2019/20**

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## GLOSSARY OF TERMS AND ACRONYMS

### Acronym

**Budget Steering Committee** : A strategic planning forum aimed at identifying key spending priorities for the municipality

**Budget related policies** : Policies of a municipality that affect or are affected by the budget.

**CAPEX**: Capital expenditure, spending on municipal assets such as land, buildings, roads, etc.

**CPIX**: Consumer price index excluding interest on mortgages

**CPI**: Consumer price index

**GAAP**: Generally Accepted Accounting Practice

**COGTA**: Cooperative Governance and Traditional Affairs

**GRAP**: Generally Recognised Accounting Practice

**FBS**: Free basic services

**IDP**: Integrated Development Plan, a strategic document detailing the municipality's medium term plan for development.

**IGR**: Intergovernmental relations

**ICT**: Information and communication technology

**LED**: Local economic development

**MFMA**: Municipal Financial Management Framework, Act 56 of 2003, legislation providing a framework for financial management in local government.

**MIG**: Municipal Infrastructure Grant

**MSA**: Municipal Systems Act, Act 32 of 2000.

**MTB**: Medium Term Budget, a three year financial plan of a municipality.

**MTBPS**: Medium Term Budget Policy Statement

**NT**: National Treasury of South Africa

**OPEX**: Operating expenditure, spending on the day to day operational activities such as salaries and wages, repairs and maintenance, general expenses.

**SALGA**: South African Local Government Association

**SDBIP**: Service Delivery and Budget Implementation Plan, a detailed plan containing quarterly performance targets and monthly budget estimates.

**LIST OF VOTES**

- ✚ Mayoral Executive
- ✚ Council General
- ✚ Office of the Municipal Manager
- ✚ Budget and Treasury
- ✚ Corporate Services
- ✚ Licensing and Traffic
- ✚ Local Economic Development and Planning
- ✚ Sports and Culture
- ✚ Public Works
- ✚ Cemeteries
- ✚ Community hall and centres
- ✚ Parks and Recreation
- ✚ Library
- ✚ Town Hall and Offices
- ✚ Housing
- ✚ Sanitation
- ✚ Refuse Removal
- ✚ Electricity
- ✚ Water
- ✚ PMU – Project Management Unit

## PURPOSE

The main strategic outcomes of the budget are to ensure:

- ✚ Modernizing financial management and improving accountability.
- ✚ Compilation of three year budgets.
- ✚ Deepening and improving the budget preparation process, by involving the political leadership and community.
- ✚ Ensuring that the IDP and Budget are linked, and that the IDP takes account of budgetary resources, and contain proper capital and operational plans.
- ✚ Improving the in-year implementation of the budget.
- ✚ Improving the audit and performance reporting after the financial year has ended.

The purpose of this document is to submit draft 2017/18 medium-term budget (MTB) for consideration by Council and community consultation of on the proposed tariff increases, projects and service delivery programmes.

The budget was compiled within the framework of the MFMA, Circulars No 85 & 86 the National Treasury and the Municipal Budget Regulations.

Those Circulars provides instructions, guidance and information on crucial issues that municipalities need to consider when preparing their 2017-18 budgets.

# PART 1



## CHAPTER1: MAYORAL REPORT



**SPEECH OF THE MAYOR OF KGETLENGRIVIER LOCAL MUNICIPALITY HON CLLR OD  
MEDUPE ON THE APPROVAL OF THE INTEGRATED DEVELOPMENT PLAN AND  
BUDGET FOR THE FINANCIAL YEAR 2017/18**

Honourable Councillors, our key stakeholders in government, our partners from the private sector and civil society and esteemed community members of our beloved municipality – Kgetlengrivier Local Municipality, allow me to express my sincere and absolute gratitude for the opportunity bestowed upon me this morning to address you to present to you the maiden integrated development plan and budget as well as budget related policies for the upcoming financial year of 2017/18. This is as a result of the fourth democratic local government elections held in 2016. The elections which saw the municipal Council being constituted by different political parties, we perceive this as a significant sign of a healthy democracy. Mindful of the fact that we might not always agree but what joins us together it is a similar agenda of bettering the lives of our people we led on the ground regardless of their political affiliation or support.

Honourable Councilors, and fellow citizens of Kgetlengrivier

This meeting takes place at a time where in we continue to experience moral decay in our country. The recent spate of attacks and kidnapping of our vulnerable women is a serious course for concern and needs to be dealt with as a matter of extreme urgency before it gets out of hand. I also need to mention that, while we support and respect the right of our communities to protest, we condemn the elements of hooliganism and criminality that mars these peaceful protests in our communities. What happened recently in our neighboring municipality Ditsobotla is the highest form of treason and economic sabotage that must be dealt with by the law enforcement agencies of this beloved Country.

We are acutely aware that the delivery of this IDP/Budget presentation occurs under tumultuous economic conditions not only in the country but, indeed, across the globe. Clearly, this undesirable situation places an even greater impetus for local government across the globe to mitigate the effects of these dynamics within the indisputable context of our municipality.

In Kgetlengrivier, the picture looks no different, in fact worse than national average. The municipality's economic growth continues to be sluggish due to a number of attributes such as lack of infrastructure development, closure of mining operations as well as drought which saw a lot of agricultural workers being laid off recently.

Fellow Councilors –

Honourable Councilors, despite twenty-three years in our democracy and the gains we have made, we still a long way from achieving ultimate freedom for our people. Hence it is imperative as elected public representatives not to forget the mandate given to us by our people. The Community of Kgetlengrivier gave us a mandate to ensure emancipation from unemployment, racism, sexism and other forms of discrimination.

We still have a duty as public representatives to ensure that;

- Our people are employed

- Our people have access to sustainable basic services
- Our people live in crime free communities
- Our children continue to receive the best education the world has to offer.

Honourable Councilors, let us not forget the promises and commitments we made to our different constituencies of accelerating service delivery and making sure that local government works better for them in ensuring that;

- All communities shall have access to clean water and decent sanitation
- All our households have access to electricity

Through our Saam trek – Saam werk philosophy and the adoption of Setsokotsane approach to service delivery; this Council has demonstrated it is fundamental to put people's needs at the centre and it is our endeavor to ensure that this continues even in the next council.

As communicated by President Zuma in his State of the Nation Address earlier this year, Government has adopted the Back to Basics (B2B) programme as its premier means of dealing with challenges at local government level. The President launched the B2B programme in September 2014 and now we are in the second phase.

I'm sure you are all aware of the five pillars of the B2B programme. I believe it's worth repeating here:

- Putting people and their concerns first;
- Supporting the delivery of municipal services to the right quality and standard;
- Promoting good governance, transparency and accountability;
- Ensuring sound financial management and accounting; and
- Building institutional resilience and administrative capability.

Fellow Councillors-

Allow me to share with you some of the successes of this municipality during the previous financial years

Kgetlengrivier, is one of the few municipalities in the province that has over 98% access rate in as far as electricity supply is concerned. We are, delighted as the municipality to report that the Ratsegae community is finally receiving the attention it deserves on the connection of electricity. The municipality worked tirelessly with Eskom to ensure that this area is prioritized and indeed our efforts bore the desired results.

Although we have managed to electrify most of our areas within the municipality, the stability of our network remains a major challenge that needs to be given serious attention. The two substations in Koster and Swartruggens requires major overhaul in the next few years to ensure continued supply of electricity to our communities. The undesirable state of our infrastructure is further exacerbated by cowardly acts of sabotage. On a number of occasions, our officials have reported that the infrastructure of the municipality is being tempered with. As Council, we view this in serious light and have engaged the South African Police Services to investigate the matter further as it has repercussions of such acts of sabotage result in disruption of services to our communities.

In the 2017/18 financial year, Council will enforce the ring-fencing of 1% of electricity sales for upgrading of the networks and enforcing measures to secure our electrical infrastructure. Furthermore, business plans are being developed to source funding from provincial and

national governments to assist in addressing the problem in partnership with our suitably qualified experts.

This municipality is gradually in the process of recovering from the effects of the drought that has strated this municipality since 2014. The devastating impact the drought is having on our infrastructure is unimaginable. Due to the severity of the drought, the water infrastructure became rusted and consequently prone to a lot of breakages and damages, thus impacting negatively on the ability of the municipality to deliver water sustainably to our beloved communities. The continued breakdowns resulted in excessive repairs and maintenance costs being incurred by the municipality. This resulted in a serious burden to the already ailing financial health of the municipality.

The municipality remains resolute in its commitment to ensure a sustainable solution or relief is provided to areas hard hit by this drought. This includes continued interaction with the department of water and sanitation as well as the oversight committee on water and sanitation in parliament.

While we continue with our endeavors to provide sustainable water to our communities, we also continue to urge our communities to use water sparingly mindful of the disastrous situation we came out of recently.

While we think it might be over because currently our dam levels are satisfactory, we need to remember that there is still a lot of work to be done on these dams. We will continue to engage with the relevant sectors for a sustainable water supply to all our communities.

We are also mindful of the continued reliance on borehole water in Mazista and Derby. This is fast becoming unsustainable due to a number of factors. Again, the municipality is engaging robustly with the relevant department to find sustainable solutions to the predicament we find in these areas.

The Koster Waste Water Treatment Works project is going on well according to schedule. The project is implemented through Regional Bulk Infrastructure Grant funding and is currently being implemented by Magalies Water Board.

The treatment works will go a long way in addressing continuous spillages of sewerage we experience in the Reagile area as a result of overflow of the current system. It must be mentioned that the abovementioned project is not progressing at a desirable pace due to limited financial resources allocated over the MTREF period.

The Council also remains steadfast in endeavors to ensure our local SMME's benefits from the project.

Fellow Councilors –

It is also important to report that refuse removal in our communities has improved although our machinery remains a challenge. The current financial status of the municipality makes it difficult to replace the machinery, however we shall continue to maintain the ones we have to serve our communities better.

This Council has made strides in improving the quality of lives of our people through provision of housing to the needy and vulnerable. This Council has built over a thousand RDP units since 2011. The Ratsegae community is the latest to benefit from the housing initiative.

The fifth administration of the Bokone Bophirima province's five concrete places an opportunity to ourselves as the municipality to rebrand and renew our local economies. This, honorable Councilors, couldn't have come at a better time for our municipality. We have been faced with serious challenges in as far as LED is concerned both at capacity and resource level.

Fellow Councillors, I cannot overemphasize the importance of ensuring that we capacitate and make this unit yield fruitful results for our municipality and importantly our people given the level of indigence and distressing socio-economic environment of our municipality and mindful of the fact that the municipality has the responsibility to generate conducive environment for our businesses to thrive as a way of combating triple challenges of poverty unemployment and inequality that are engulfing our municipality.

The pronouncement of the fifth administration to elevate the placement of LED oversight to the office the Mayor will result in enhanced oversight on the portfolio. The 2017/18 financial year will also see the establishment of a stand-alone planning and LED directorate in our municipality. This will ensure that focus is placed on the development of our SMMEs, cooperatives as well as continued empowerment of the previously marginalized people in our society. To achieve this we have budgeted an amount of R4.7m in the 2017/18 budget.

We remain committed to ensure that bulk of our expenditure is channeled to our local SMME's in order to empower them. This is necessitated by changes in the SCM policy of the municipality to place emphasis on empowerment of SMME's in our Villages Townships and Small Dorpies (VTSD). This is radical economic transformation colleagues, or inclusive growth as others might want to call it.

Honourable Councillors, the enforcement of LED within our municipality is the only way in which our local economy can be improved and thus, as a result, improve the lives of our people. As a result, the 2017/18 financial year will see the establishment of a fully-fledged LED unit.

Honourable Councillors, also allow me to acknowledge the improved coordination between the structures of government at Local, Provincial and National Government level. However it is important to emphasize the challenges experienced with the level of consultation with the Bojanala Platinum District Municipality. This result in instances where the municipality is not clearly consulted on the planning of the district and this leaves the municipality in the dark regarding the projects, which must benefit the communities of Kgetleng.

Furthermore, Honourable Councillors, the 2016/17 financial year has been a difficult year for Kgetlengrivier Local Municipality; the strained financial resources made it very difficult for the municipality to render sustainable services to our people. This has led to Eskom contemplating on cutting electricity supply to our two towns due to non-payment. This Council remains resolute in finding a solution to this problem through various intergovernmental channels available. Furthermore, budgetary allocations have been made to comply with the arrangement entered into with Eskom for the R50m debt we currently owe Eskom. We urge our consumers to pay their monthly bills to ensure that we keep up with the payment arrangement with Eskom.

It is true that this municipality is experiencing serious financial crisis and we continue to improve our austerity measures on non-essential expenditure. We have, in the past financial year, implemented various cost cutting measures to curb the worsening financial situation of the municipality. The implementation of such austerity measures on our expenditure shall continue in the 2017/18 financial year.

For us to improve the financial wellbeing of this municipality, we need to be prudent in our approach and work hard to also enhance the revenue thereof. This includes strengthening of our credit control and debt collection measures as well as identification of new sources of revenue. As a way of enhancing revenue, the municipality will resuscitate the vehicle testing stations in both Koster and Swartruggens in the 2017/18 financial year.

We believe that this budget goes a long way in balancing our obligations from the previous financial year as well as commitments for the years to come. We have made projections based on the socio-economic dynamics within our municipality and we believe that the situation will improve. However for us to turn the situation around, we need to have a different mindset to achieve that.

In the words of the greatest scientist of all time, Mr. Albert Einstein; “no problem can be solved from the same level of consciousness that created it”. Something needs to change!!!!

Honourable Councillors, despite our undesirable cash flow situation, our financial accountability has improved. The municipality has registered an improvement in the audit outcomes for the 2016/17 financial year. The Auditor General expressed an unqualified audit opinion on our annual financial statements. This does not mean the municipality is out of the woods yet; we need to improve on our reporting of performance management, various compliance matters as well as unauthorized, irregular, fruitless and wasteful expenditure.

Honourable Councillors, allow me to express my heartfelt gratitude to our Communities for keeping us on our toes. Consultation with our communities has improved in the 2016/17 financial year; this has seen the municipality holding meetings in each and every ward to give specific attention to the needs of each ward. Furthermore, the 2016/17 financial year also seen the newly established MPAC committee hard at work with oversight process on annual reports, which included community consultations as well. The level of meaningful involvement of our communities in these meetings is a clear sign of the direction local government is taking; accountability to the people we lead!

Honourable Councillors, I am required as the Mayor, in terms of section 24 of Local Government Municipal Finance Management Act 56 of 2003, whose supreme purpose is to secure sound and sustainable financial management in municipalities, to present before your good selves a budget for approval at least 30 days prior the commencement of the financial year.

It is from this MFMA mandate that we are meeting here today, to present the draft Integrated Development Plan and Budget for 2017/18 Financial year for Kgetlengrivier Local Municipality.

This budget is guided by the practical prioritization determined by the realities of financial capacity and also information sourced from consultations held with our communities. The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:

- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;

- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act;
- Guidelines issued by the National Treasury on the projected inflation adjustments upon which the budget is based.

Honourable Councillors, allow me to highlight a few pertinent issues regarding the budget;

Our total operating revenue for the financial year amounts to 197 million and grows to R216million and R242million for the two outer years of the medium term revenue and expenditure framework. Over 40% of the total budget is from government grants. This is a clear indication of the municipality's reliance on government grant funding. Our

Total operating expenditure stands at R185 million for the 2017/18 financial year and will grow to R189 million over the MTREF period. Included in the above figure is employee related costs, which stands at R12,3 million for the financial year in question. This represent just over 27% of the total operating budget. The municipality is well within the national benchmarks of 35%. Other key cost drivers will be incurred from repairs and maintenance, which is envisaged to stand at R17, 4 million. Consequently, repairs and maintenance represents 9.25% of our total operating expenditure.

The contribution to the capital outlay amounts to R44.9m for the 2017/18 financial year. This is made up of the Municipal Infrastructure Grant of R24.9m as well as R20 million allocated by the Department of Water and Sanitation for various water related projects.

In conclusion, Honourable Councillors I want to emphasize our role as Councilors in strengthening democracy through ensuring accountability to our people. As we move forward in implementing this budget we need to ensure that we do it with commitment, dedication, cooperation, collective and decisive leadership, as well as excellent performance to make Kgetleng a force to reckoned with.

Our consumers will pay 1.88% extra for electricity and an additional 6.4% for other critical services such as assessment rates, water and sanitation as well as refuse removal. The increases were carefully considered taking into account the current economic conditions and the level of unemployment.

Honourable Councillors, it is my absolute honour and pleasure to present to the Council the IDP and Budget for 2017/18 financial years for consideration and approval.

In conclusion, I must take this opportunity to say it has been an honour to serve you as a mayor/speaker of this Council.

**I thank you!!!!**

# CHAPTER 2:

## EXECUTIVE SUMMARY

## CHAPTER2: EXECUTIVE SUMMARY

The Budget Committee was confronted with numerous challenges during the budget process. The following had an impact:

- The negative effect of the declining economic growth;
- The addressing of service delivery shortcomings as identified in the adjustments budget in February 2016 and its effect on the available funding;
- The continued funding constraints with regards to the low available funding for the Capital Budget through the Capital Replacement Reserve;
- Nersa's directive that bulk purchases will increase by 0.31% for municipalities and municipal electricity tariff increase should not exceed 1.88%.

The 2016/17 adjustments budget in February 2017 again proved that the ability of Council to reduce costs is limited due to the fact that the fixed cost component of the operating budget exceeds the variable costs by far. The adjustments budget nonetheless defined the basis for the draft 2017/18 budget.

A continued strategy was followed as outlined within this Council's long term financial plan with the compilation of this budget, whereby the following was done:

- The municipality needs to focus on its core functions. During the February 2016 adjustments budget the Budget Committee, Portfolio Councillors in conjunction with the Heads of Departments, scrutinised the budget to affect all possible savings;
- The need to maximise income through efficiencies and the way we do business was investigated before we decided to increase our rates, service charges and other tariffs;
- A revenue enhancement project was implemented to ensure that all consumers are billed correctly and are contributing to the municipality's income as set out in our tariff policy;
- A provision of R6 million was made for debtor's impairment in the operating budget. The writing off of irrecoverable debt will continue to be scrutinized through the business processes of the internal credit control unit, which unit is managed by an internal credit control committee to ensure that proper credit control measures are performed and to recommend the writing off of debt to council;
- A provision for a contribution of R5 million to the capital replacement reserve (CRR) in the operating budget has been made in order to grow our reserve;
- The capital contributions policy was reviewed to ensure that the municipality receives fair compensation from bulk capacity sold to developers. The budget committee emphasized the principle that developers need to "payup-front" before any infrastructure development is carried out by Council ;
- A greater emphasis will be placed on improving our cash management practices, within the legal prescripts, to improve our liquidity position. A policy was introduced and came in effect from 1 July 2017.
- The Budget Committee has re-emphasised its wish that the capital budget, as with the previous budget, also be a maintenance budget which will be limited to the available cash funds at our disposal without seeking external loan funding as also guided by the updated long term financial plan;
- All attempts need to be made to maximise available National and Provincial Government Grants to service part of our capital program;



- A land audit will be undertaken to identify specific strategic land which may be sold/Leased to effect growth in Kgetlengrivier and to build the CRR.

### **MFMA Circulars**

National Treasury sent out MFMA Circular No. 85 on 9 December 2016 providing guidance to municipalities on their 2016/17 budgets and Medium Term Revenue and Expenditure Framework (MTREF). Circular 85 was followed up by Circular no. 86 dated 8 March 2017. Circular No. 85 & 86 reminds us of the key focus areas for the 2016/17 budget process, and that it must be read together with MFMA Circulars no. 48, 51, 54, 55, 58, 59, 66, 67, 70, 72, 74, 75, 82, 85 and 86. It is essential reading material in order to understand the background to this budget.

National Treasury has also set out the requirements for funding the budget and producing a credible budget.

### **Funding the Budget**

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17.

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

Under old budget formats a 'balanced' income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive.

New budgeting and accounting formats demand that the budgeted Statement of Financial Performance (Income Statement), the Budgeted Statement of Financial Position (Balance Sheet) and the Budgeted Statement of Cash Flows must be considered simultaneously to ensure effective financial management and sustainability and to ensure that the budget is funded.

### **A Credible Budget**

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;

- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

### **Budgeted Expenditure versus Depreciation**

The depreciation budget for the MTREF, calculated on the existing assets, is R32.8 million for 2017/18, R33.2 million and R33.7 million respectively for the two outer years.

Depreciation is calculated by using the straight line method over the life-span of the asset. The assets in the asset register are funded from different funding sources and the depreciation of these assets is also treated differently.

Kgetlengrivier Local Municipality has used the “cost model” to implement GRAP 17.

As example a filtration plant was constructed with funds from the emergency drought relief grant. A capital asset of ± R95 million was created with an estimated life span of 20 years. The impact on the depreciation budget was an additional depreciation to the amount of R4.75 million per year.

It is impossible to give this burden through to the inhabitants of Kgetlengrivier. To soften the impact of this depreciation a “claw back” of depreciation is done during the budget process as part of the tariff setting. This might inevitably leads to a budgeted deficit on the Budgeted Statement of Financial Performance.

# CHAPTER 3: THE BUDGET

## THE BUDGET

This section provides an overview of the Kgetlengrivier Local Municipality's 2017/18 to 2019/19 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of Kgetlengrivier Local Municipality.

The Municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and district government. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in Kgetleng. Kgetlengrivier Municipality alone cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources as well as the achievement of their own policies.

According to Circular No. 86, the following headline inflation forecasts underpin the national 2017 Budget:

Fiscal Year	2016/17 Estimate	2017/18	2018/19	2019/20
		Forecast		
Consumer Price Inflation (CPI)	6.4%	6.4%	5.7%	5.6%
Real GDP Growth	0.5%	1.3%	2.0%	2.2%

Source: 2017 Budget Review

The growth parameters apply to tariff increases for property rates, user and other charges raised by municipality, to ensure that all spheres of government support the national macroeconomic policies, unless it can be shown that external factors impact otherwise.

The budget process in Kgetlengrivier followed the requirements of the MFMA. A Table of key deadlines was tabled in Council by the Mayor in August 2016.

A Budget Committee was established to examine, review and prioritise budget proposals from departments.

Over the 3 year period, the Municipality is planning to spend R146 million on capital investment for the infrastructure needs of the municipality. In 2017/18 the capital budget is R43 million. Operating expenditure in 2017/18 is budgeted at R188 million and the operating revenue is budgeted at R197.7 million.

The MFMA requires municipalities to set out measurable performance objectives when tabling their budgets. These "key deliverables" link the financial inputs of the budget to service delivery on the ground.

As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Draft Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality's in year monitoring.

In view of the aforementioned, the following table is a consolidated overview of the proposed MTREF:

**Table 1 Consolidated Overview of the 2017/18 MTREF**

	<b>Original Budget ('000)</b>	<b>Adjusted Budget ('000)</b>	<b>Budget 2017/18 ('000)</b>	<b>Budget 2018/19 ('000)</b>	<b>Budget 2019/20 ('000)</b>
Total Operating Revenue	163,590	179,271	197 732	216 493	242 281
Total Operating Expenditure	(158,059)	(188,634)	(185 428)	(198 509)	(206 843)
Surplus/(Deficit) for the year	5,530	(9,363)	12 305	17 983	35 438
Total Capital Expenditure	34,769	34,769	44 927	51 178	57 499

### Operating Revenue Framework

For Kgetlengrivier Local Municipality to continue maintaining / improving the quality of services provided to its citizens it needs to generate the required revenue. The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines, Circular No. 85 & 86;
- The municipality's Property Rates Policy;
- The municipality's Credit Control and Indigent Policy and rendering of free basic services;
- Tariff policy and structure;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Revenue enhancement plan.

The following table is a summary of the 2016/17 MTREF (classified by main revenue source):

**Table 2 – Summary of revenue classified by main revenue sources**

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue By Source</b>										
Property rates	2	4 831	7 592	7 608	7 146	7 146	7 146	7 146	7 603	8 037
Service charges - electricity revenue	2	25 989	27 258	29 415	41 656	41 103	41 103	41 103	42 845	44 742
Service charges - water revenue	2	5 983	6 363	5 484	9 099	9 099	9 099	9 099	9 681	10 233
Service charges - sanitation revenue	2	3 001	3 205	3 360	4 105	4 105	4 105	4 105	4 367	4 616
Service charges - refuse revenue	2	1 601	1 711	1 821	2 051	2 051	2 051	2 051	2 182	2 306
Service charges - other		–			–	–	–	–	–	
Rental of facilities and equipment		65	72	78	140	116	116	116	149	157

Interest earned - external investments		453	346	294	628	628	628	628	669	707
Interest earned - outstanding debtors		6 508	9 023	11 783	3 927	8 927	8 927	8 927	7 178	7 587
Dividends received		–			–	–	–	–		
Fines, penalties and forfeits		808	331	24 622	3 393	7 973	7 973	7 973	24 250	25 633
Licences and permits		3 926	4 747	5 192	11 649	14 181	14 181	14 181	8 784	9 285
Agency services		–			–	–	–	–	–	–
Transfers and subsidies		71 667	64 154	70 563	69 241	71 541	71 541	71 541	75 936	85 451
Other revenue	2	4 801	1 123	868	5 762	7 610	7 610	7 610	9 413	12 541
Gains on disposal of PPE					4 792	4 792	4 792	4 792	4 675	5 198
Total Revenue (excluding capital transfers and contributions)		129 633	125 926	161 088	163 590	179 272	179 272	179 271	197 732	216 493

Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality. The above table takes into account revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality and also capital transfers and contributions.

The operating revenue increased from R179.2million to R197.7 million. The increase in revenue is mainly due to:

- An increase in Fines due to the implementation of IGRAP 1 that had an impact on the calculation for the proposed Fines income.
- An increase in Transfers Recognised – Operational is mainly due to an increase and decrease in the following grants:
  - ✓ The Equitable Share allocation has increased (R63 m – 2016/17 to R70.8m – 2017/18).

The following table provides a breakdown of the various grants allocated to Kgetlengrivier Municipality over the medium term:

**Table 3 – Grants Allocation**

Local government allocations 2017/18 – 2019/20			
	Medium Term Estimates		
	2016/17 R'000	2017/18 R'000	2018/19 R'000
<b>National Grants</b>	<b>120,825</b>	<b>136,557</b>	<b>161,578</b>
Equitable share	70,879	81,401	88,722
Infrastructure (MIG)	26,239	27,556	28,946
Financial Management (FMG)	2,345	2,600	2,860
Expanded Public Works Programme Incentive Grant (EPWP)	1,362	-	-
Electrification Programme (INEP)	-	-	10,000
MSIG			1,000
Water Services infrastructure	20,000	25,000	30,000
<b>Provincial Grants</b>	<b>1,300</b>	<b>-</b>	<b>-</b>
Library Services	1,350	1,450	1,531
<b>Total Allocations</b>	<b>122,175</b>	<b>138,007</b>	<b>163,109</b>

## **SERVICE CHARGES AND MISCELLANEOUS TARIFFS:**

The following tariff increases are proposed:

- |                         |         |
|-------------------------|---------|
| ▪ Electricity           | : 1.88% |
| ▪ Water                 | : 6.4%  |
| ▪ Rates                 | : 6.4%  |
| ▪ Refuse                | : 6.4%  |
| ▪ Sewerage              | : 6.4%  |
| ▪ Other (miscellaneous) | : 6.4%  |

## **TARIFF CHANGES SUGGESTED FOR 2017/18**

### **Rates Tariffs**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

An increase of 6.4% in rates income will be raised for 2017/18.

**(Refer: Tariff List)**

### **Water Tariffs**

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

During the tariff modelling exercise it was acknowledge that the basic charge for water does not cover the basic cost for the water service and that the structure needs to be changed and remodelled in future budgets.

A tariff increase of 6.4% from 1 July 2017 for water is proposed. In addition 6kl water per 30-day period will be granted free of charge to all households. Kgetlengrivier Municipality is reassessing the basic charge for water service to ensure that it is cost reflective of the fixed costs components needed to deliver water to the consumers.

**(Refer: Tariff List)**

### **Electricity Tariffs**

The proposed municipal electrical tariff increase is 1.88% whereas the prescribed tariff according to NERSA's guideline is 1.88%. According to NERSA certain of the municipality's electricity tariffs are too high and thus the reason why the increase is below the prescribed increase.

**(Refer: Tariff List)**

Indigent households will receive 70kWh electricity free at the beginning of each month.

### **Sanitation tariffs**

A tariff increase of 6.4% for sanitation from 1 July 2017 is proposed.

**(Refer: Tariff List)**

### **Waste Removal tariff**

A 6.4% increase in the waste removal tariff is proposed from 1 July 2017.

The cost of establishing of a composting plant, the closure of the dumping site, the increase in cost of depositing household waste at the new proposed regional landfill site, the establishing of a landfill site, are putting a tremendous pressure on the financial viability of the waste removal service, hence the 6.4% increase in tariff. Urgent strategic decisions are needed in this regard.

### **Overall impact of tariff increases on households**

The following table shows the overall expected impact of tariff increases on a large and small household, as well as an indigent household receiving free basic services.

It needs to be noted that the majority of indigent households in Kgetlengrivier are situated in the affordable house areas. The valuation of these houses is below R150 000 and due to rebates do not pay property rates.

Indigent households receive a discount on their services equal to the basic charge for water plus 6kl water free, 70kwh electricity units, the monthly levy for refuse and sanitation.

**Refer: MBRR Table SA 14 – Household bills**

### **Operating Expenditure Framework**

The expenditure framework for the 2017/18 budget and MTREF is informed by the guidelines of National Treasury.



The following table is a summary of the 2017/18 MTREF (classified by main expenditure types):

**Table – Summary of operating expenditure by type**

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Expenditure By Type</u>										
Employee related costs	38 498	38 450	41 641	43 322	43 349	43 349	43 349	46 527	49 733	52 941
Remuneration of cllrs	4 161	5 906	5 517	4 810	4 810	4 810	4 810	5 167	5 530	5 899
Debt impairment	13 092	18 638	26 542	5 540	5 540	5 540	5 540	5 895	6 231	6 580
Depreciation & ass impa	29 740	47 148	38 910	23 348	23 348	23 348	23 348	28 842	33 258	33 729
Finance charges	2 265	4 861	4 561	500	500	500	500	532	562	594
Bulk purchases	22 564	28 427	29 909	26 524	26 524	26 524	26 524	27 154	27 792	28 446
Other materials	7 394	–	–	54	54	54	54	17 434	18 599	18 808
Contracted services	–	7 837	7 543	6 768	9 268	9 268	9 268	5 265	5 565	5 877
Transfers and subsidies	–	–	–	25 856	25 856	25 856	25 856	–	–	–
Other expenditure	75 670	46 295	60 861	21 337	49 384	49 384	49 384	48 612	51 240	53 970
Loss on disposal of PPE										
<b>Total Expenditure</b>	<b>193 385</b>	<b>197 563</b>	<b>215 484</b>	<b>158 059</b>	<b>188 634</b>	<b>188 634</b>	<b>188 634</b>	<b>185 428</b>	<b>198 509</b>	<b>206 843</b>

The operating expenditure increases from R188.6 million (2016/17) to R185 million in 2017/18. The increase can be attributed to increases and decreases on several expenditure components.

Reasons for significant cost variances:

- Employee Related Costs
  - ✓ An increase of 7.4% was provided for salaries and wages.
- Remuneration of Councillors – An increase of 7% was provided as well as provision for 3 additional Councillors.
- Debt impairment – The calculation is based on the 2015/16 collection ratios and also the current economic climate in the Kgetlengrivier and the implementation of iGRAP1 (accounting for the impairment of traffic fines).
- Bulk purchases – The increase is based on the tariff for bulk purchases as set out by NERSA of 0.31.
- Contracted Services – The budget for contracted services has increased due to the operational expenditure on Traffic.

**Table – Repairs and maintenance per asset class**

Description	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>									
Infrastructure									
<i>Roads</i>	7,394	100	169	2,381		2,381	831	878	928
<i>Electricity</i>							2,307	2,439	2,575
<i>Water</i>							5,738	6,236	5,754
<i>Sanitation</i>							7,074	7,478	7,896
<i>Other</i>							318	336	355
<i>Other assets</i>							527	557	588
<i>Community asset</i>							638	675	713
<b>Total Repairs and Maintenance Expenditure</b>	<b>7,394</b>	<b>5,240</b>	<b>14,673</b>	<b>9,555</b>	<b>-</b>	<b>9,555</b>	<b>17,434</b>	<b>18,599</b>	<b>18,808</b>

## Capital Budget

The capital budget increased from R34.7 million (2016/17) to R44.2 million in 2017/18.

The Budget Committee went through several stages of prioritising the capital budget to contain the budget within the available funding.

This capital budget has been compiled with due consideration to the direct impact that it would have on the operating budget and our cash position where projects are to be funded from either internal sources or from external borrowings.

The capital budget reflects the following budget allocation to the various Departments and reflects the strategic priorities outlined in the IDP:

**Table 16 – Capital budget by department**

Vote Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Capital expenditure - Vote</u>										
<u>Multi-year expenditure, to be appropriated</u>										
Vote 1 - Governance and Administration	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	209	-	-	-	-	-	-	-	-	-

Vote 3 - Finance and Administration	-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Economic Development	-	-	-	-	-	-	-	-	-	-
Vote 6 - Community and Social Services	-	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation	-	-	-	-	-	-	-	-	-	-
Vote 8 - Housing	-	-	-	-	-	-	-	-	-	-
Vote 9 - Environmental Management	-	-	-	-	-	-	-	-	-	-
Vote 10 - Roads and Transport	-	-	-	-	-	-	-	-	-	-
Vote 11 - Electricity	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management(Sanitation)	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water	-	-	-	-	-	-	-	-	-	-
Vote 14 - Solid Waste Management(Refuse)	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	209	-	-	-	-	-	-	-	-	-
<u>Single-year expenditure to be appropriated</u>										
Vote 1 - Governance and Administration	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	-	-	-	3,500	3,500	3,500	3,500	-	-	-
Vote 3 - Finance and Administration	-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Economic Development	-	-	-	-	-	-	-	-	-	-
Vote 6 - Community and Social Services	22,311	2,460	1,825	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation	-	-	-	-	-	-	-	-	-	-
Vote 8 - Housing	-	-	-	-	-	-	-	-	-	-
Vote 9 - Environmental Management	-	-	-	-	-	-	-	-	-	-
Vote 10 - Roads and Transport	41,356	35,631	48,677	17,969	17,969	17,969	17,969	24,577	26 178	27 499
Vote 11 - Electricity	-	-	-	3,800	3,800	3,800	3,800	-	-	-
Vote 12 - Waste Water Management(Sanitation)	-	-	-	-	-	-	-	-	-	30,000
Vote 13 - Water	-	-	-	9,500	9,500	9,500	9,500	20,000	25,000	-
Vote 14 - Solid Waste Management(Refuse)	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	63,666	38,090	50,503	34,769	34,769	34,769	34,769	44 927	51 178	57 499
Total Capital Expenditure - Vote	63,876	38,090	50,503	34,769	34,769	34,769	34,769	44 927	51 178	57 499

<u>Funded by:</u>										
National Government	63,666	35,631	48,677	31,269	31,269	31,269	31,269	44 927	51 178	57 499
Provincial Government										
Transfers recognised - capital	63,666	35,631	48,677	31,269	31,269	31,269	31,269	44 927	51 178	57 499
Public contributions & donations										
Borrowing										

Internally generated funds	209	2,460	1,825	3,500	3,500	3,500	3,500			
Total Capital Funding	63,876	38,090	50,503	34,769	34,769	34,769	34,769	44 927	51 178	57 499

### Internal Funding

One of the main challenges impacting on the capital budget is the expected contributions to the Capital Replacement Reserve (CRR) for the current year. This situation also emphasises the need to expand our current additional income base (sources) and exploring other income sources. The Budget Committee re-affirmed the need for revenue enhancement measures in order to broaden the income base.

No contribution made to the CRR in the 2016/17 Adjustments Budget from the working capital in February 2017.

Council has introduced a specific line item in the 2017/18 budget to specifically budget for a contribution to the CRR. No CRR budget for the current year. The total amount budgeted for a contribution to the CRR is R5 million in the 2017/18 financial year.

The budget committee went through a process of tariff modelling and realised that additional income had to be generated over and above the annual increase in tariffs to fund its asset renewal programme. The master plans for the core services indicate that urgent upgrading and renewal need to be done to the infrastructure.

Given the current economic climate and the impact that an increase, much higher than the CPI, will have on the consumers it was decided to not opt for an additional increase in service charges to fund the CRR.

Although the budgeted income and expenditure are realistically anticipated, the situation regarding the available internal funds will be monitored closely and expenditure on capital projects linked to the CRR will be managed according to the available cash. To facilitate this process the Budget Committee has prioritized the draft Capital Budget and capped the projects funded from the CRR.

Council has budgeted for a contribution of R5million to the CCR in 2017/18. An assessment of the reserves will be done after the 2016/17 year-end process has been concluded. A further contribution to the CRR will then be made if necessary.

### External Financing Funding

The Budget Committee has reconfirmed its commitment not to rely on external funding to fund the capital budget except for the financing of short term vehicle financing.

A number of crucial issues impacting on the fleet needs to be resolved before a final decision can be made regarding further purchasing of vehicles. The requests for replacements have been included in the 2017/18 budget year.

Major upgrading of infrastructure has been requested by the technical departments

Additional income will need to be generated to fund the capital charges. This will result in double digit increases to be implemented on service tariffs.

These projects have been included in the outer years of the capital budget resulting in a huge spike in the budget amount for capital.

The following table provides a breakdown of the budgeted capital expenditure by classification:

Table 19 – Capital expenditure by GFS classification

<u>Capital Expenditure - Functional</u>										
<i>Governance and administration</i>	209	-	-	3,500	3,500	3,500	3,500	-	-	-
Executive and council				3,500	3,500	3,500	3,500			
Finance and administration	209									
Internal audit										
<i>Community and public safety</i>	22,311	-	-	-	-	-	-	-	-	-
Community and social services	22,311									
Sport and recreation								-	-	-
Public safety										
Housing										
Health										
<i>Economic and environmental services</i>	41,356	35,631	48,677	17,969	17,969	17,969	17,969	15 077	26 178	27 499
Planning and development										
Road transport	41,356	35,631	48,677	17,969	17,969	17,969	17,969	24 577	26 178	27 499
Environmental protection										
<i>Trading services</i>	-	-	-	13,300	13,300	13,300	13,300	29,850	25,000	30,000
Energy sources				3,800	3,800	3,800	3,800			
Water management				9,500	9,500	9,500	9,500	20,000	25,000	
Waste water management										30,000
Waste management										
<i>Other</i>		2,460	1,825							
Total Capital Expenditure - Functional	63,876	38,090	50,503	34,769	34,769	34,769	34,769	44 927	51 178	57 499

Budget Schedules

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere’s ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

Narrative will only be provided at certain tables to clarify certain aspects otherwise it will be a repetition of what has already been documented.

NW374 Kgetlengrivier - Table A1 Budget Summary

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands										
<b><u>Financial Performance</u></b>										
Property rates	4 831	7 592	7 608	7 146	7 146	7 146	7 146	7 603	8 037	8 487
Service charges	36 574	38 537	40 080	56 911	56 358	56 358	56 357	59 075	61 898	65 105
Investment revenue	453	346	294	628	628	628	628	669	707	746
Transfers recognised - operational	71 667	64 154	70 563	69 241	71 541	71 541	71 541	75 936	85 451	104 113
Other own revenue	16 108	15 297	42 544	29 663	43 598	43 598	43 598	54 449	60 401	63 830
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>129 633</b>	<b>125 926</b>	<b>161 088</b>	<b>163 590</b>	<b>179 272</b>	<b>179 272</b>	<b>179 271</b>	<b>197 732</b>	<b>216 493</b>	<b>242 281</b>
Employee costs	38 498	38 450	41 641	43 322	43 349	43 349	43 349	46 527	49 733	52 941
Remuneration of councillors	4 161	5 906	5 517	4 810	4 810	4 810	4 810	5 167	5 530	5 899
Depreciation & asset impairment	29 740	47 148	38 910	23 348	23 348	23 348	23 348	28 842	33 258	33 729
Finance charges	2 265	4 861	4 561	500	500	500	500	532	562	594
Materials and bulk purchases	29 958	28 427	29 909	26 578	26 578	26 578	26 578	44 588	46 391	47 254
Transfers and grants	–	–	–	25 856	25 856	25 856	25 856	–	–	–
Other expenditure	88 762	72 769	94 946	33 645	64 192	64 192	64 192	59 771	63 035	66 426
<b>Total Expenditure</b>	<b>193 385</b>	<b>197 563</b>	<b>215 484</b>	<b>158 059</b>	<b>188 634</b>	<b>188 634</b>	<b>188 634</b>	<b>185 428</b>	<b>198 509</b>	<b>206 843</b>
<b>Surplus/(Deficit)</b>	<b>(63 751)</b>	<b>(71 636)</b>	<b>(54 396)</b>	<b>5 530</b>	<b>(9 362)</b>	<b>(9 362)</b>	<b>(9 363)</b>	<b>12 305</b>	<b>17 983</b>	<b>35 438</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	25 178	22 715	20 318	–	–	–	–	46 239	52 556	58 946
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	40 247	30 143	151
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(38 574)</b>	<b>(48 921)</b>	<b>(34 078)</b>	<b>5 530</b>	<b>(9 362)</b>	<b>(9 362)</b>	<b>(9 363)</b>	<b>98 791</b>	<b>100 682</b>	<b>94 535</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>(38 574)</b>	<b>(48 921)</b>	<b>(34 078)</b>	<b>5 530</b>	<b>(9 362)</b>	<b>(9 362)</b>	<b>(9 363)</b>	<b>98 791</b>	<b>100 682</b>	<b>94 535</b>
<b><u>Capital expenditure &amp; funds sources</u></b>										
Capital expenditure	63 876	38 090	50 503	34 769	–	34 769	34 769	44 927	51 178	57 499
Transfers recognised - capital	63 666	35 631	48 677	31 269	–	31 269	31 269	44 927	51 178	57 499
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	209	2 460	1 825	3 500	–	3 500	3 500	–	–	–
<b>Total sources of capital funds</b>	<b>63 876</b>	<b>38 090</b>	<b>50 503</b>	<b>34 769</b>	<b>–</b>	<b>34 769</b>	<b>34 769</b>	<b>44 927</b>	<b>51 178</b>	<b>57 499</b>
<b><u>Financial position</u></b>										
Total current assets	70 933	86 340	98 639	139 923	139 923	139 923	139 923	124 785	78 991	80 782
Total non current assets	469 609	617 824	601 465	382 087	382 087	382 087	382 087	597 530	631 946	666 071
Total current liabilities	86 885	117 964	146 944	60 625	60 625	60 625	60 625	81 472	72 673	63 898
Total non current liabilities	15 002	15 354	16 356	16 500	16 500	16 500	16 500	17 556	18 539	19 540
Community wealth/Equity	438 655	570 845	536 804	444 885	444 885	444 885	444 885	623 287	619 724	663 415
<b><u>Cash flows</u></b>										
Net cash from (used) operating	64 431	37 116	24 604	30 220	30 220	30 220	30 220	47 902	63 208	95 309
Net cash from (used) investing	(63 876)	(36 573)	(26 091)	(29 977)	(29 977)	(29 977)	(29 977)	(40 252)	(45 980)	(52 010)
Net cash from (used) financing	(6 295)	–	3 062	2 470	2 470	2 470	2 470	–	–	–
<b>Cash/cash equivalents at the year end</b>	<b>1 370</b>	<b>1 913</b>	<b>3 487</b>	<b>7 940</b>	<b>7 940</b>	<b>7 940</b>	<b>7 940</b>	<b>11 138</b>	<b>28 366</b>	<b>71 665</b>
<b><u>Cash backing/surplus reconciliation</u></b>										
Cash and investments available	1 370	1 913	3 487	11 700	11 700	11 700	11 700	12 385	6 092	1 916
Application of cash and investments	50 472	75 365	107 602	(183)	7 660	7 660	7 660	4 545	2 674	(16 689)
<b>Balance - surplus (shortfall)</b>	<b>(49 102)</b>	<b>(73 452)</b>	<b>(104 115)</b>	<b>11 883</b>	<b>4 040</b>	<b>4 040</b>	<b>4 040</b>	<b>7 840</b>	<b>3 418</b>	<b>18 605</b>
<b><u>Asset management</u></b>										
Asset register summary (WDV)	469 588	455 216	–	364 678	364 678	364 678	545 550	545 550	572 747	586 617
Depreciation	29 599	47 148	38 910	23 348	23 348	23 348	28 842	28 842	33 258	33 729
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	7 394	5 240	14 673	9 555	9 555	9 555	17 434	17 434	18 599	18 808

<u>Free services</u>										
Cost of Free Basic Services provided	-	-	-	5 764	5 764	5 764	6 133	6 133	6 482	6 845
Revenue cost of free services provided	-	-	-	580	-	-	8 300	8 300	9 150	9 800
<u>Households below minimum service level</u>										
Water:	3	3	3	3	-	3	3	3	3	3
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	7	7	7	3	-	3	4	4	4	4
Refuse:	6	6	6	6	6	6	6	6	6	6

NW374 Kgetlengrivier - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Revenue - Functional</u>									
<i>Governance and administration</i>	75,363	104,954	111,434	85,527	91,256	91,256	97 747	112 522	122 755
Executive and council	46,029	86,869	90,881	62,494	62,494	62,494	70 879	81 401	88 722
Finance and administration	29,334	18,084	20,553	23,033	28,762	28,762	26 868	31 121	34 033
Internal audit	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	572	72	78	1,825	3,137	3,137	2 953	1 705	1 800
Community and social services	572	72	78	1,825	3,137	3,137	2 950	1 702	1 797
Sport and recreation	-	-	-	-	-	-	3	3	3
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	30,912	5,078	29,814	12,933	22,128	22,128	34 346	36 295	38 320
Planning and development	1,000	-	-	139	121	121	1 312	1 378	1 447
Road transport	29,912	5,078	29,814	12,795	22,008	22,008	33 034	34 917	36 873

Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	47,963	38,537	40,080	63,304	62,750	62,750	62 686	65 971	79 406
Energy sources	25,989	27,258	29,415	41,656	41,103	41,103	42 845	44 999	57 260
Water management	17,372	6,363	5,484	12,099	12,099	12,099	9 681	10 233	10 806
Waste water management	3,001	3,205	3,360	5,801	5,801	5,801	6 172	6 524	6 889
Waste management	1,601	1,711	1,821	3,748	3,748	3,748	3 987	4 215	4 451
<i>Other</i>	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>154,811</b>	<b>148,641</b>	<b>181,406</b>	<b>163,590</b>	<b>179,271</b>	<b>179,271</b>	<b>197 732</b>	<b>216 493</b>	<b>242 281</b>
<b><u>Expenditure - Functional</u></b>									
<i>Governance and administration</i>	170,821	120,310	134,581	69,292	75,992	75,992	66 332	70 595	74 962
Executive and council	71,486	44,356	47,158	31,835	30,773	30,773	31 987	33 168	35 240
Finance and administration	99,334	75,953	87,422	37,457	45,219	45,219	34 345	37 427	39 722
Internal audit	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	-	-	-	16,554	28,982	28,982	26 689	27 958	29 213
Community and social services	-	-	-	10,113	19,941	19,941	10 710	11 202	11 701
Sport and recreation	-	-	-	-	-	-	2 179	2 328	2 448
Public safety	-	-	-	6,441	9,041	9,041	13 800	14 428	15 065
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	-	-	-	14,812	13,258	13,258	15 803	17 199	17 642
Planning and development	-	-	-	1,236	1,236	1,236	6 063	6 201	6 341
Road transport	-	-	-	13,577	12,022	12,022	9 739	10 998	11 301
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	22,564	28,427	29,909	57,402	70,402	70,402	76 603	82 758	85 026
Energy sources	20,406	27,623	28,380	31,608	31,287	31,287	37 820	40 758	41 723
Water management	2,158	805	1,529	10,482	12,382	12,382	20 949	23 065	23 216
Waste water management	-	-	-	11,782	23,159	23,159	14 058	14 915	15 792
Waste management	-	-	-	3,529	3,574	3,574	3 777	4 020	4 295
<i>Other</i>	-	48,825	50,995	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>193,385</b>	<b>197,563</b>	<b>215,484</b>	<b>158,059</b>	<b>188,634</b>	<b>188,634</b>	<b>185 428</b>	<b>198 509</b>	<b>206 843</b>
<b>Surplus/(Deficit) for the year</b>	<b>(38,574)</b>	<b>(48,921)</b>	<b>(34,078)</b>	<b>5,530</b>	<b>(9,363)</b>	<b>(9,363)</b>	<b>12 305</b>	<b>17 983</b>	<b>35 438</b>

NW374 Kgetlengrivier - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousand</b>									
<b><u>Revenue by Vote</u></b>									
Vote 1 - Governance and Administration	46,026	86,869	90,881	62,494	62,494	62,494	70 879	81 401	88 722
Vote 2 - Corporate Services	7,944	1,123	868	4,792	4,505	4,505	-	-	1 000
Vote 3 - Finance and Administration	16,992	16,961	19,685	18,242	24,257	24,257	26 868	31 121	33 033
Vote 4 - Public Safety	6,942	5,078	29,814	11,649	18,761	18,761	33 048	34 932	36 888
Vote 5 - Planning and Economic Development	-	-	-	-	-	-	-	-	-
Vote 6 - Community and Social Services	1,572	72	78	1,825	3,137	3,137	2 937	1 688	1 782



Vote 7 - Sports and Recreation	-	-	-	-	-	-	3	3	3
Vote 8 - Housing	-	-	-	138	120	120	-	-	-
Vote 9 - Environmental Management	-	-	-	-	-	-	-	-	-
Vote 10 - Roads and Transport	22,658	-	-	1,146	3,247	3,247	1 312	1 378	1 447
Vote 11 - Electricity	25,989	27,258	29,415	41,656	41,103	41,103	42 845	44 999	57 260
Vote 12 - Waste Water Management(Sanitation)	3,001	3,205	3,360	5,801	5,801	5,801	6 172	6 524	6 889
Vote 13 - Water	17,372	6,363	5,484	12,099	12,099	12,099	9 681	10 233	10 806
Vote 14 - Solid Waste Management(Refuse)	1,601	1,711	1,821	3,748	3,748	3,748	3 987	4 215	4 451
0	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>150,098</b>	<b>148,641</b>	<b>181,406</b>	<b>163,590</b>	<b>179,271</b>	<b>179,271</b>	<b>197 732</b>	<b>216 493</b>	<b>242 281</b>
<b><u>Expenditure by Vote to be appropriated</u></b>									
Vote 1 - Governance and Administration	43,058	44,356	47,158	31,835	30,773	30,773	31 987	33 168	35 240
Vote 2 - Corporate Services	70,335	54,492	68,819	19,554	20,767	20,767	16 446	17 441	18 462
Vote 3 - Finance and Administration	31,399	70,286	69,598	17,903	24,453	24,453	17 899	19 986	21 260
Vote 4 - Public Safety	-	-	-	6,441	9,041	9,041	13 800	14 428	15 065
Vote 5 - Planning and Economic Development	-	-	-	687	687	687	4 734	4 779	4 826
Vote 6 - Community and Social Services	-	-	-	7,108	7,076	7,076	10 710	11 202	11 701
Vote 7 - Sports and Recreation	-	-	-	2,927	2,962	2,962	2 179	2 328	2 448
Vote 8 - Housing	-	-	-	288	-	-	-	-	-
Vote 9 - Environmental Management	-	-	-	-	-	-	-	-	-
Vote 10 - Roads and Transport	-	-	-	17,625	16,071	16,071	11 069	12 419	12 816
Vote 11 - Electricity	20,406	27,623	28,380	31,608	31,287	31,287	37 820	40 758	41 723
Vote 12 - Waste Water Management(Sanitation)	-	-	-	8,072	19,449	19,449	14 058	14 915	15 792
Vote 13 - Water	2,158	805	1,529	10,482	22,495	22,495	20 949	23 065	23 216
Vote 14 - Solid Waste Management(Refuse)	-	-	-	3,529	3,574	3,574	3 777	4 020	4 295
0	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>167,355</b>	<b>197,563</b>	<b>215,484</b>	<b>158,059</b>	<b>188,634</b>	<b>188,634</b>	<b>185 428</b>	<b>198 509</b>	<b>206 843</b>
<b>Surplus/(Deficit) for the year</b>	<b>(17,257)</b>	<b>(48,921)</b>	<b>(34,078)</b>	<b>5,530</b>	<b>(9,363)</b>	<b>(9,363)</b>	<b>12 305</b>	<b>17 983</b>	<b>35 438</b>

NW374 Kgetlengrivier - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b><u>Revenue By Source</u></b>										
Property rates	4,831	7,592	7,608	7,146	7,146	7,146	7,146	7 603	8 037	8 487
Service charges - electricity rev	25,989	27,258	29,415	41,656	41,103	41,103	41,103	42 845	44 742	46 989
Service charges - water revenue	5,983	6,363	5,484	9,099	9,099	9,099	9,099	9 681	10 233	10 806
Service charges - sanitation rev	3,001	3,205	3,360	4,105	4,105	4,105	4,105	4 367	4 616	4 875
Service charges - refuse revenue	1,601	1,711	1,821	2,051	2,051	2,051	2,051	2 182	2 306	2 435
Service charges - other	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	65	72	78	140	116	116	116	149	157	166
Interest earned - external invest	453	346	294	628	628	628	628	669	707	746
Interest earned - outstanding debt	6,508	9,023	11,783	3,927	8,927	8,927	8,927	7 178	7 587	8 012
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	808	331	24,622	3,393	7,973	7,973	7,973	24 250	25 633	27 068

Licences and permits	3,926	4,747	5,192	11,649	14,181	14,181	14,181	8 784	9 285	9 805
Agency services	–			–	–	–	–	–	–	–
Transfers and subsidies	71,667	64,154	70,563	69,241	71,541	71,541	71,541	75 936	85 451	104 113
Other revenue	4,801	1,123	868	5,762	7,610	7,610	7,610	9 413	12 541	13 290
Gains on disposal of PPE				4,792	4,792	4,792	4,792	4 675	5 198	5 489
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>129,633</b>	<b>125,926</b>	<b>161,088</b>	<b>163,590</b>	<b>179,272</b>	<b>179,272</b>	<b>179,271</b>	<b>197 732</b>	<b>216 493</b>	<b>242 281</b>
<b><u>Expenditure By Type</u></b>										
Employee related costs	38,498	38,450	41,641	43,322	43,349	43,349	43,349	46 527	49 733	52 941
Remuneration of councillors	4,161	5,906	5,517	4,810	4,810	4,810	4,810	5 167	5 530	5 899
Debt impairment	13,092	18,638	26,542	5,540	5,540	5,540	5,540	5 895	6 231	6 580
Depreciation & asset impairment	29,740	47,148	38,910	23,348	23,348	23,348	23,348	28 842	33 258	33 729
Finance charges	2,265	4,861	4,561	500	500	500	500	532	562	594
Bulk purchases	22,564	28,427	29,909	26,524	26,524	26,524	26,524	27 154	27 792	28 446
Other materials	7,394	–	–	54	54	54	54	17 434	18 599	18 808
Contracted services	–	7,837	7,543	6,768	9,268	9,268	9,268	5 265	5 565	5 877
Transfers and subsidies	–	–	–	25,856	25,856	25,856	25,856	–	–	–
Other expenditure	75,670	46,295	60,861	21,337	49,384	49,384	49,384	48 612	51 240	53 970
Loss on disposal of PPE										
<b>Total Expenditure</b>	<b>193,385</b>	<b>197,563</b>	<b>215,484</b>	<b>158,059</b>	<b>188,634</b>	<b>188,634</b>	<b>188,634</b>	<b>185 428</b>	<b>198 509</b>	<b>206 843</b>
<b>Surplus/(Deficit)</b>	<b>(63,751)</b>	<b>(71,636)</b>	<b>(54,396)</b>	<b>5,530</b>	<b>(9,362)</b>	<b>(9,362)</b>	<b>(9,363)</b>	<b>12 305</b>	<b>17 983</b>	<b>35 438</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	25,178	22,715	20,318		–	–	–	46 239	52 556	58 946
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)								40 247	30 143	151
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(38,574)</b>	<b>(48,921)</b>	<b>(34,078)</b>	<b>5,530</b>	<b>(9,362)</b>	<b>(9,362)</b>	<b>(9,363)</b>	<b>98 791</b>	<b>100 682</b>	<b>94 535</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>	<b>(38,574)</b>	<b>(48,921)</b>	<b>(34,078)</b>	<b>5,530</b>	<b>(9,362)</b>	<b>(9,362)</b>	<b>(9,363)</b>	<b>98 791</b>	<b>100 682</b>	<b>94 535</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(38,574)</b>	<b>(48,921)</b>	<b>(34,078)</b>	<b>5,530</b>	<b>(9,362)</b>	<b>(9,362)</b>	<b>(9,363)</b>	<b>98 791</b>	<b>100 682</b>	<b>94 535</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/(Deficit) for the year</b>	<b>(38,574)</b>	<b>(48,921)</b>	<b>(34,078)</b>	<b>5,530</b>	<b>(9,362)</b>	<b>(9,362)</b>	<b>(9,363)</b>	<b>98 791</b>	<b>100 682</b>	<b>94 535</b>

NW374 Kgetlengrivier - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Capital expenditure - Vote</u>										
<u>Multi-year expenditure to be appropriated</u>										
Vote 1 - Governance and Administration	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	209	-	-	-	-	-	-	-	-	-
Vote 3 - Finance and Administration	-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Economic Development	-	-	-	-	-	-	-	-	-	-
Vote 6 - Community and Social Services	-	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation	-	-	-	-	-	-	-	-	-	-
Vote 8 - Housing	-	-	-	-	-	-	-	-	-	-
Vote 9 - Environmental Management	-	-	-	-	-	-	-	-	-	-
Vote 10 - Roads and Transport	-	-	-	-	-	-	-	-	-	-
Vote 11 - Electricity	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management(Sanitation)	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water	-	-	-	-	-	-	-	-	-	-
Vote 14 - Solid Waste Management(Refuse)	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	209	-	-	-	-	-	-	-	-	-
<u>Single-year expenditure to be appropriated</u>										
Vote 1 - Governance and Administration	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	-	-	-	3,500	3,500	3,500	3,500	-	-	-
Vote 3 - Finance and Administration	-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Economic Development	-	-	-	-	-	-	-	-	-	-
Vote 6 - Community and Social Services	22,311	2,460	1,825	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation	-	-	-	-	-	-	-	-	-	-
Vote 8 - Housing	-	-	-	-	-	-	-	-	-	-
Vote 9 - Environmental Management	-	-	-	-	-	-	-	-	-	-
Vote 10 - Roads and Transport	41,356	35,631	48,677	17,969	17,969	17,969	17,969	20 965	26 178	27 499
Vote 11 - Electricity	-	-	-	3,800	3,800	3,800	3,800	-	-	-
Vote 12 - Waste Water Management(Sanitation)	-	-	-	-	-	-	-	-	-	30 000
Vote 13 - Water	-	-	-	9,500	9,500	9,500	9,500	23 962	25 000	
Vote 14 - Solid Waste Management(Refuse)	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	63,666	38,090	50,503	34,769	34,769	34,769	34,769	44 927	51 178	57 499
Total Capital Expenditure - Vote	63,876	38,090	50,503	34,769	34,769	34,769	34,769	44 927	51 178	57 499
<u>Capital Expenditure - Functional</u>										
<i>Governance and administration</i>	209	-	-	3,500	3,500	3,500	3,500	-	-	-
Executive and council				3,500	3,500	3,500	3,500			
Finance and administration	209									
Internal audit										
<i>Community and public safety</i>	22,311	-	-	-	-	-	-	-	-	-

Community and social services	22,311							-	-	-
Sport and recreation										
Public safety										
Housing										
Health										
<i>Economic and environmental services</i>	41,356	35,631	48,677	17,969	17,969	17,969	17,969	15 077	26 178	27 499
Planning and development										
Road transport	41,356	35,631	48,677	17,969	17,969	17,969	17,969	15 077	26 178	27 499
Environmental protection										
<i>Trading services</i>	-	-	-	13,300	13,300	13,300	13,300	29 850	25 000	30 000
Energy sources				3,800	3,800	3,800	3,800			
Water management				9,500	9,500	9,500	9,500	29 850	25 000	
Waste water management										30 000
Waste management									-	-
<i>Other</i>		2,460	1,825							
<b>Total Capital Expenditure - Functional</b>	<b>63,876</b>	<b>38,090</b>	<b>50,503</b>	<b>34,769</b>	<b>34,769</b>	<b>34,769</b>	<b>34,769</b>	<b>44 927</b>	<b>51 178</b>	<b>57 499</b>
<b>Funded by:</b>										
National Government	63,666	35,631	48,677	31,269	31,269	31,269	31,269	44 927	51 178	57 499
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital	63,666	35,631	48,677	31,269	31,269	31,269	31,269	44 927	51 178	57 499
Public contributions & donations										
Borrowing										
Internally generated funds	209	2,460	1,825	3,500	3,500	3,500	3,500			
<b>Total Capital Funding</b>	<b>63,876</b>	<b>38,090</b>	<b>50,503</b>	<b>34,769</b>	<b>34,769</b>	<b>34,769</b>	<b>34,769</b>	<b>44 927</b>	<b>51 178</b>	<b>57 499</b>

NW374 Kgetlengrivier - Table A6 Budgeted Financial Position

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>ASSETS</b>										
Current assets										
Cash	829	1,913	3,487	5,200	5,200	5,200	5,200	11 138	4 764	502
Call investment deposits	541	–	–	6,500	6,500	6,500	6,500	1 247	1 328	1 414
Consumer debtors	14,737	10,878	15,579	80,984	80,984	80,984	80,984	69 950	55 000	60 000
Other debtors	7,318	22,081	28,258					16 950	17 899	18 866
Current portion of long-term receivables										
Inventory	47,509	51,469	51,314	47,239	47,239	47,239	47,239	25 500	–	–
<b>Total current assets</b>	<b>70,933</b>	<b>86,340</b>	<b>98,639</b>	<b>139,923</b>	<b>139,923</b>	<b>139,923</b>	<b>139,923</b>	<b>124 785</b>	<b>78 991</b>	<b>80 782</b>
Non current assets										
Long-term receivables	–									
Investments	–	–	–							
Investment property	21,691	35,599	35,599	17,410	17,410	17,410	17,410	37 877	39 998	42 158
Investment in Associate	–									
Property, plant and equipment	447,897	582,202	565,843	364,678	364,678	364,678	364,678	559 653	591 948	623 913
Agricultural	–									
Biological	–									
Intangible	–									
Other non-current assets	21	22	24					–	–	–
<b>Total non current assets</b>	<b>469,609</b>	<b>617,824</b>	<b>601,465</b>	<b>382,087</b>	<b>382,087</b>	<b>382,087</b>	<b>382,087</b>	<b>597 530</b>	<b>631 946</b>	<b>666 071</b>
<b>TOTAL ASSETS</b>	<b>540,542</b>	<b>704,164</b>	<b>700,104</b>	<b>522,010</b>	<b>522,010</b>	<b>522,010</b>	<b>522,010</b>	<b>722 315</b>	<b>710 937</b>	<b>746 853</b>
<b>LIABILITIES</b>										
Current liabilities										
Bank overdraft										
Borrowing	2,205	–	–	–	–	–	–	–	–	–
Consumer deposits	1,723	1,810	1,909					2 031	2 145	2 261
Trade and other payables	67,662	99,015	126,763	60,625	60,625	60,625	60,625	60 000	50 000	40 000
Provisions	15,295	17,139	18,271					19 440	20 529	21 637
<b>Total current liabilities</b>	<b>86,885</b>	<b>117,964</b>	<b>146,944</b>	<b>60,625</b>	<b>60,625</b>	<b>60,625</b>	<b>60,625</b>	<b>81 472</b>	<b>72 673</b>	<b>63 898</b>
Non current liabilities										
Borrowing	–	–	–	–	–	–	–	–	–	–
Provisions	15,002	15,354	16,356	16,500	16,500	16,500	16,500	17 556	18 539	19 540
<b>Total non current liabilities</b>	<b>15,002</b>	<b>15,354</b>	<b>16,356</b>	<b>16,500</b>	<b>16,500</b>	<b>16,500</b>	<b>16,500</b>	<b>17 556</b>	<b>18 539</b>	<b>19 540</b>
<b>TOTAL LIABILITIES</b>	<b>101,887</b>	<b>133,318</b>	<b>163,300</b>	<b>77,125</b>	<b>77,125</b>	<b>77,125</b>	<b>77,125</b>	<b>99 028</b>	<b>91 213</b>	<b>83 438</b>
<b>NET ASSETS</b>	<b>438,655</b>	<b>570,845</b>	<b>536,804</b>	<b>444,885</b>	<b>444,885</b>	<b>444,885</b>	<b>444,885</b>	<b>623 287</b>	<b>619 724</b>	<b>663 415</b>
<b>COMMUNITY WEALTH/EQUITY</b>										
Accumulated Surplus/(Deficit)	475,557	606,489	571,773	482,007	482,007	482,007	482,007	623 287	619 724	663 415
Reserves	(36,901)	(35,643)	(34,969)	(37,122)	(37,122)	(37,122)	(37,122)	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>438,655</b>	<b>570,845</b>	<b>536,804</b>	<b>444,885</b>	<b>444,885</b>	<b>444,885</b>	<b>444,885</b>	<b>623 287</b>	<b>619 724</b>	<b>663 415</b>

NW374 Kgetlengrivier - Table A7 Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
Receipts											
Property rates		4 831			6 117	6 117	6 117	6 117	5 702	7 329	8 223
Service charges		38 129	38 898	1 929	45 573	45 573	45 573	45 573	43 394	46 997	58 185
Other revenue		1 869	5 180	37 422	14 155	14 155	14 155	14 155	25 217	26 913	28 425
Government - operating	1	90 069	68 147	90 150	69 241	69 241	69 241	69 241	75 936	85 451	104 113
Government - capital	1	–			32 415	32 415	32 415	32 415	46 239	52 556	58 946
Interest		453	346	12 077	3 181	3 181	3 181	3 181	2 104	2 983	3 951
Dividends		–			–	–	–	–	–	–	–
Payments											
Suppliers and employees		(68 654)	(70 953)	(112 828)	(139 962)	(139 962)	(139 962)	(139 962)	(150 159)	(158 458)	(165 940)
Finance charges		(2 265)	(4 500)	(4 147)	(500)	(500)	(500)	(500)	(532)	(562)	(594)
Transfers and Grants	1								–	–	–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>64 431</b>	<b>37 116</b>	<b>24 604</b>	<b>30 220</b>	<b>30 220</b>	<b>30 220</b>	<b>30 220</b>	<b>47 902</b>	<b>63 208</b>	<b>95 309</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
Receipts											
Proceeds on disposal of PPE			(3)	142	4 792	4 792	4 792	4 792	4 675	5 198	5 489
Decrease (Increase) in non-current debtors						–	–	–	–	–	–
Decrease (increase) other non-current receivables			–						–	–	–
Decrease (increase) in non-current investments									–	–	–
Payments											
Capital assets		(63 876)	(36 570)	(26 233)	(34 769)	(34 769)	(34 769)	(34 769)	(44 927)	(51 178)	(57 499)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(63 876)</b>	<b>(36 573)</b>	<b>(26 091)</b>	<b>(29 977)</b>	<b>(29 977)</b>	<b>(29 977)</b>	<b>(29 977)</b>	<b>(40 252)</b>	<b>(45 980)</b>	<b>(52 010)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
Receipts											
Short term loans									–	–	–
Borrowing long term/refinancing				4 854					–	–	–
Increase (decrease) in consumer deposits					2 470	2 470	2 470	2 470	–	–	–
Payments											
Repayment of borrowing		(6 295)		(1 792)					–	–	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(6 295)</b>	<b>–</b>	<b>3 062</b>	<b>2 470</b>	<b>2 470</b>	<b>2 470</b>	<b>2 470</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(5 739)</b>	<b>543</b>	<b>1 575</b>	<b>2 713</b>	<b>2 713</b>	<b>2 713</b>	<b>2 713</b>	<b>7 650</b>	<b>17 228</b>	<b>43 299</b>
Cash/cash equivalents at the year begin:	2	7 109	1 370	1 913	5 227	5 227	5 227	5 227	3 487	11 138	28 366
Cash/cash equivalents at the year end:	2	1 370	1 913	3 487	7 940	7 940	7 940	7 940	11 138	28 366	71 665

NW374 Kgetlengrivier - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
<u>Cash and investments available</u>											
Cash/cash equivalents at the year end	1	1 370	1 913	3 487	7 940	7 940	7 940	7 940	11 138	28 366	71 665
Other current investments > 90 days		–	–	–	3 760	3 760	3 760	3 760	1 247	(22 274)	(69 749)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		1 370	1 913	3 487	11 700	11 700	11 700	11 700	12 385	6 092	1 916
<u>Application of cash and investments</u>											
Unspent conditional transfers		–	6 470	5 740	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	50 472	68 894	101 862	(183)	7 660	7 660	7 660	4 545	2 674	(16 689)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		50 472	75 365	107 602	(183)	7 660	7 660	7 660	4 545	2 674	(16 689)
Surplus(shortfall)		(49 102)	(73 452)	(104 115)	11 883	4 040	4 040	4 040	7 840	3 418	18 605

NW374 Kgetlengrivier - Table A9 Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	63 876	38 090	50 503	34 769	34 769	34 769	43 276	48 000	55 000
<i>Roads Infrastructure</i>		41 356	35 631	48 677	17 969	17 969	17 969	20 965	26 178	27 499
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	3 800	3 800	3 800	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	9 500	9 500	9 500	23 962	25 000	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	30 000
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		41 356	35 631	48 677	31 269	31 269	31 269	44 927	51 178	57 499
Community Facilities		22 311	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		22 311	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		209	2 460	1 825	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		209	2 460	1 825	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	1 000	1 000	1 000	-	-	-
Furniture and Office Equipment		-	-	-	1 300	1 300	1 300	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	1 200	1 200	1 200	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	-	-	-	-	-	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-



Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets</b>	6	-	-	-	-	-	-	-	-
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4	41 356	35 631	48 677	17 969	17 969	17 969	20 965	26 178
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	3 800	3 800	3 800	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	9 500	9 500	9 500	23 962	25 000	-
<i>Water Supply Infrastructure</i>	-	-	-	-	-	-	-	-	30 000
<i>Sanitation Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	-	41 356	35 631	48 677	31 269	31 269	31 269	44 927	51 178
Community Facilities	-	22 311	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	22 311	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Operational Buildings	-	209	2 460	1 825	-	-	-	-	-

Housing		-	-	-	-	-	-	-	-	-
Other Assets		209	2 460	1 825	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	1 000	1 000	1 000	-	-	-
Furniture and Office Equipment		-	-	-	1 300	1 300	1 300	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	1 200	1 200	1 200	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		63 876	38 090	50 503	34 769	34 769	34 769	43 276	48 000	55 000
ASSET REGISTER SUMMARY - PPE (WDV)	5									
<i>Roads Infrastructure</i>		302 209	318 334	-	118 831	118 831	118 831	252 635	382 635	396 635
<i>Storm water Infrastructure</i>				-	49 850	49 850	49 850	4 960	4 960	4 960
<i>Electrical Infrastructure</i>				-	54 307	54 307	54 307	14 825	12 807	12 789
<i>Water Supply Infrastructure</i>				-	54 938	54 938	54 938	108 971	107 873	107 771
<i>Sanitation Infrastructure</i>				-		-	-	35 555	35 555	35 555
<i>Solid Waste Infrastructure</i>				-		-	-			
<i>Rail Infrastructure</i>										
<i>Coastal Infrastructure</i>										
<i>Information and Communication Infrastructure</i>										
Infrastructure		302 209	318 334	-	277 926	277 926	277 926	416 946	543 830	557 710
Community Facilities		77 392	-		48 273	48 273	48 273	25 720	25 711	25 702
Sport and Recreation Facilities								3 206	3 206	3 206
Community Assets		77 392	-	-	48 273	48 273	48 273	28 925	28 916	28 907
Heritage Assets										
Revenue Generating										
Non-revenue Generating										
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		89 987	136 882	-	38 480	38 480	38 480	41 938		
Housing								1 784		
Other Assets		89 987	136 882	-	38 480	38 480	38 480	43 722	-	-
Biological or Cultivated Assets										
Servitudes								49 930		
Licences and Rights										
Intangible Assets		-	-	-	-	-	-	49 930	-	-
Computer Equipment										
Furniture and Office Equipment		-						1 753		
Machinery and Equipment								1 418		
Transport Assets								2 856		
Libraries										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	469 588	455 216	-	364 678	364 678	364 678	545 550	572 747	586 617
EXPENDITURE OTHER ITEMS										
<u>Depreciation</u>	7	29 599	47 148	38 910	23 348	23 348	23 348	28 842	33 258	33 729
<u>Repairs and Maintenance by Asset Class</u>	3	7 394	5 240	14 673	9 555	9 555	9 555	17 434	18 599	18 808
<i>Roads Infrastructure</i>		7 394	100	169	2 381	2 381	2 381	1 358	1 435	1 516
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	326	1 132	2 518	2 518	2 518	2 307	2 439	2 575
<i>Water Supply Infrastructure</i>		-	2 356	10 778	2 213	2 213	2 213	5 738	6 236	5 754
<i>Sanitation Infrastructure</i>		-	-	-	1 549	1 549	1 549	7 074	7 478	7 896
<i>Solid Waste Infrastructure</i>		-	-	-	299	299	299	318	336	355
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-

Infrastructure		7 394	2 782	12 079	8 960	8 960	8 960	16 795	17 924	18 096
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	890	819	-	-	-	66	70	74
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	890	819	-	-	-	66	70	74
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	333	427	-	-	-	-	-	-
Machinery and Equipment		-	8	210	-	-	-	-	-	-
Transport Assets		-	1 227	1 139	595	595	595	572	605	639
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		36 992	52 389	53 583	32 903	32 903	32 903	46 276	51 857	52 537
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<i>R&amp;M as a % of PPE</i>		1,7%	0,9%	2,6%	2,6%	2,6%	2,6%	3,1%	3,1%	3,0%
<i>Renewal and upgrading and R&amp;M as a % of PPE</i>		2,0%	1,0%	0,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%

NW374 Kgetlengrivier - Table A10 Basic service delivery measurement

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outco me	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Household service targets</b>	1									
<u>Water:</u>										
Piped water inside dwelling		11 637	11 637	11 637	13 000	–	13 000	12 200	14 200	14 200
Piped water inside yard (but not in dwelling)		5 907	5 907	5 907	8 000	–	8 000	–	–	–
Using public tap (at least min.service level)	2	2 348	2 348	2 348	3 000	–	3 000	3 500	3 500	3 500
Other water supply (at least min.service level)	4	–	–	–	200	–	200	250	250	250
<i>Minimum Service Level and Above sub-total</i>		19 892	19 892	19 892	24 200	–	24 200	15 950	17 950	17 950
Using public tap (< min.service level)	3	1 714	1 800	1 886	3 000	–	3 000	3 000	3 000	3 000
Other water supply (< min.service level)	4	–	–	–	200	–	200	250	250	250
No water supply		942	1 200	1 458	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		2 656	3 000	3 344	3 200	–	3 200	3 250	3 250	3 250
Total number of households	5	22 548	22 892	23 236	27 400	–	27 400	19 200	21 200	21 200
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		10 130	10 130	10 130	13 000	–	13 000	13 000	13 000	13 000
Flush toilet (with septic tank)		1 032	1 032	1 032	1 000	–	1 000	1 000	1 000	1 000
Chemical toilet		37	37	37	–	–	–	–	–	–
Pit toilet (ventilated)		915	915	915	1 000	–	1 000	1 000	1 000	1 000
Other toilet provisions (> min.service level)		2 622	2 622	2 622	4 000	–	4 000	–	–	–
<i>Minimum Service Level and Above sub-total</i>		14 736	14 736	14 736	19 000	–	19 000	15 000	15 000	15 000
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	–	–	–
Total number of households	5	14 736	14 736	14 736	19 000	–	19 000	15 000	15 000	15 000
<u>Energy:</u>										
Electricity (at least min.service level)		7 130	7 130	7 130	3 200	–	3 200	3 800	3 800	3 800
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		7 130	7 130	7 130	3 200	–	3 200	3 800	3 800	3 800
Electricity (< min.service level)		7 130	7 130	7 130	3 200	–	3 200	3 800	3 800	3 800
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		7 130	7 130	7 130	3 200	–	3 200	3 800	3 800	3 800
Total number of households	5	14 260	14 260	14 260	6 400	–	6 400	7 600	7 600	7 600
<u>Refuse:</u>										
Removed at least once a week		4 999	4 999	4 999	4 999	–	4 999	4 999	4 999	4 999
<i>Minimum Service Level and Above sub-total</i>		4 999	4 999	4 999	4 999	–	4 999	4 999	4 999	4 999
Removed less frequently than once a week		66	66	66	66	66	66	66	66	66
Using communal refuse dump		302	302	302	302	302	302	302	302	302
Using own refuse dump		4 525	4 525	4 525	4 525	4 525	4 525	4 525	4 525	4 525
Other rubbish disposal		8	8	8	8	8	8	8	8	8
No rubbish disposal		1 424	1 424	1 424	1 424	1 424	1 424	1 424	1 424	1 424
<i>Below Minimum Service Level sub-total</i>		6 325	6 325	6 325	6 325	6 325	6 325	6 325	6 325	6 325
Total number of households	5	11 324	11 324	11 324	11 324	6 325	11 324	11 324	11 324	11 324
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		–	–	–	3 500	3 500	3 500	3 500	3 600	3 700
Sanitation (free minimum level service)		–	–	–	6 500	6 500	6 500	6 500	6 500	6 500
Electricity/other energy (50kwh per household per month)		–	–	–	6 500	6 500	6 500	6 500	6 500	6 500
Refuse (removed at least once a week)		–	–	–	6 500	6 500	6 500	6 500	6 500	6 500
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per		–	–	–	1 784	1 784	1 784	1 898	2 006	2 118

month)										
Sanitation (free sanitation service to indigent households)		-	-	-	1 675	1 675	1 675	1 782	1 884	1 989
Electricity/other energy (50kwh per indigent household per month)		-	-	-	1 500	1 500	1 500	1 596	1 687	1 781
Refuse (removed once a week for indigent households)		-	-	-	805	805	805	857	906	956
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		-	-	-	5 764	5 764	5 764	6 133	6 482	6 845
<u>Highest level of free service provided per household</u>										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
<u>Revenue cost of subsidised services provided (R'000)</u>	9									
Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	580	-	-	700	750	800
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	2 300	2 400	2 600
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	2 200	2 500	2 600
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	2 000	2 200	2 400
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	1 100	1 300	1 400
Municipal Housing - rental rebates	6									
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided		-	-	-	580	-	-	8 300	9 150	9 800

# PART 2

## CHAPTER 4: OVERVIEW OF THE ANNUAL BUDGET PROCESS

### **PART 2: Supporting documentation**

**Disclosure on implementation of the MFMA & other applicable legislation**

**Municipal Finance Management Act – No 56 of 2003**

The MFMA became effective on 1st July 2004. The Act aims to modernise budget and financial management practices within the overall objective of maximising the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. Kgetlengrivier has been designated as a low capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

The MFMA and the budget

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

## **The budget preparation process**

### **Overview**

A central element of the reforms is a change to the way that municipalities prepare their budgets.

The MFMA requires a council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities (as contained in the IDP) and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and particulars on borrowing, investments, municipal entities and service delivery agreements, grant allocations and details of employment costs.

The budget may be funded only from reasonable estimates of revenue and cash backed surplus funds from the previous year and borrowings (the latter for capital items only).

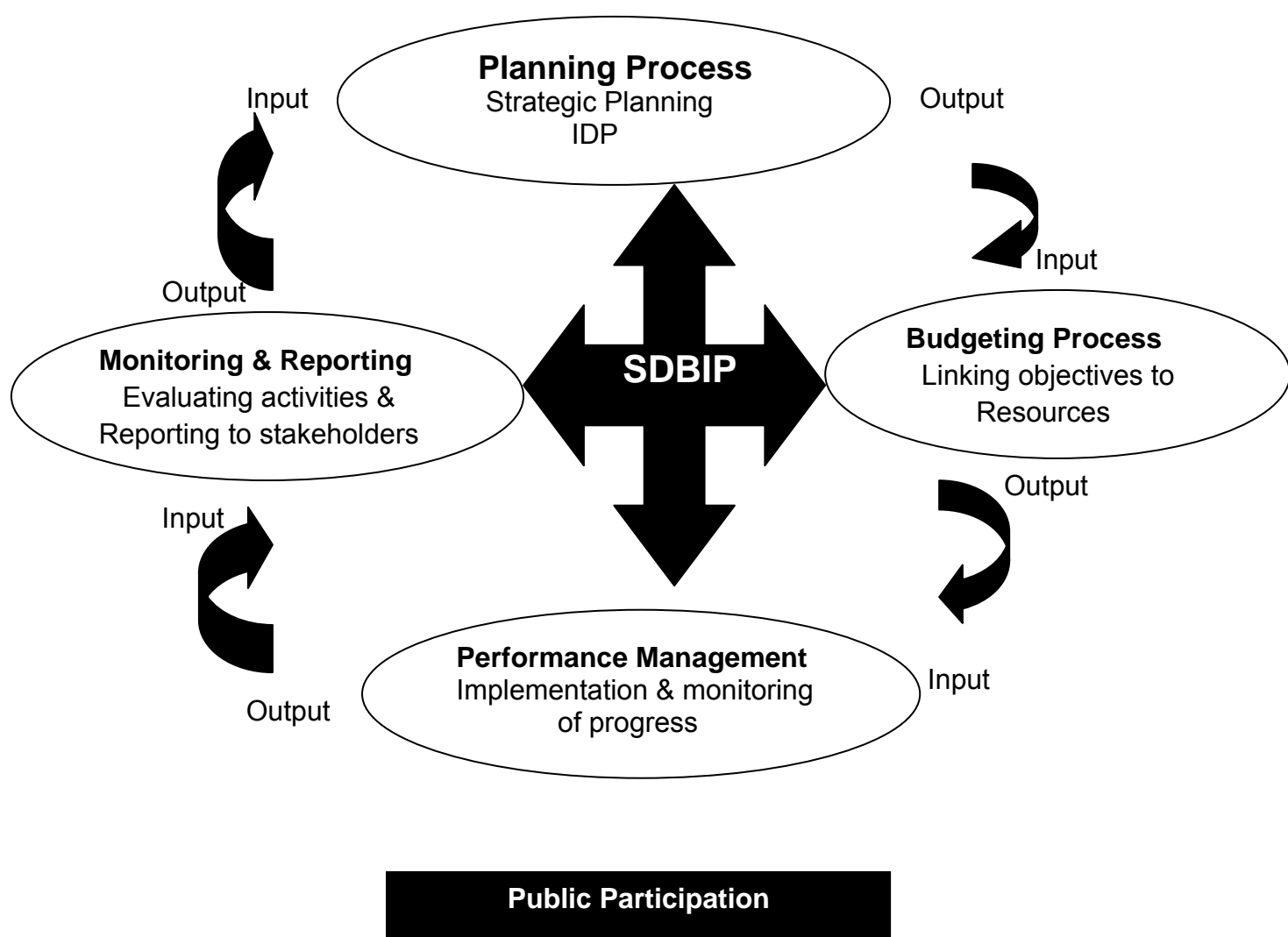
### **Budget preparation timetable**

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget related policies.

The budget preparation timetable should be prepared by senior management and tabled by the mayor for council adoption ten months before the commencement of the next budget year.

The next diagram depicts the planning, implementation and monitoring process that is followed in Kgetlengrivier Local Municipality.



**Public Participation**






In terms of Section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule of key deadlines that sets out the process to revise the IDP and prepare the budget.

**Table – Schedule of Key Deadlines relating to the budget process**



DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
PREPARATION PHASE			
Development of IDP & Budget Time Schedule including internal consultations with key stakeholders	IDP & Budget Office	Approved IDP and Budget Time Schedule	July- August 2016
District IDP Managers’ Forum: Working Sessions on uniform guidelines for IDP Review	IDP Office		July - August 2016
<b>COUNCIL MEETING:</b> Adoption of the 2017/2018 IDP & Budget Time Schedule	Council		August 2016
Advertise/ make public the adopted 2017/2018 IDP & Budget Time Schedule	IDP Office		September 2016
Submit the adopted 2017/2018 IDP & Budget Time Schedule to the MEC for Local Government	IDP Office		September 2016
Provincial Delivery Plan engagements	NWP Government, IDP Office, MM and All Directors		October 2016
ANALYSIS PHASE			
<b>First round of public participation in all of the 8 wards:</b>  To provide feedback on progress made on existing projects and share information on future projects; and  To afford the communities an opportunity to engage with the Municipality on matters pertaining to service delivery	IDP Office & Executive Mayor	Determine and assess the current level of development and the emerging challenges, opportunities and priority issues	October 2016
Prepare a report on the outcomes of the public participation process and present it to the IDP and Budget Steering Committee and submit same to the provincial department of Local Government	IDP Office		November 2016
District IDP Managers’ Forum	IDP Office		November 2016
Reconstitute the IDP and Budget Steering Committee	Mayor/Speaker		November 2016
Produce an updated situational analysis Chapter of the IDP (informed by new trends, sources of information and new information from Directorates)	IDP Office		November 2016 – January 2017
STRATEGY PHASE			
IDP and Budget Steering Committee: Directors present priority issues/proposed projects	IDP& Budget Steering Committee		February 2017
Mid-year budget and performance assessment visits	IDP Office, MM and All Directors		February – March 2017

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
Finalise preparations for the Provincial IDP Indaba 2 I	IDP Office, MM and All Directors	Develop objectives for priority issues and determine programmes to achieve strategic intent	February 2017
Produce and outline Budget strategy with high level estimates	Budget Office		February 2017
Review tariffs and budget policies	CFO		February - May 2017
District IDP Managers’ Forum: Focusing on the finalisation of all of the municipalities’ draft IDPs	IDP Office		February 2017
Review / confirm the Municipal Vision, Mission, Strategic Goals and Values	IDP& Budget Steering Committee		February 2017
PROJECT PHASE			
Addressing joint implementation of projects informed by Municipal and Provincial planning processes	Sector Departments, IDP Office, MM and All Directors	Identify projects and set output, targets	February 2017
Finalisation of the draft IDP and Budget	IDP/Budget Office		February – March 2017
Co-ordinate the development of draft 2016/17 SDBIP	IDP/Budget Office		March 2017
INTEGRATION PHASE			
Integration of sector plans and institutional programmes	IDP Office, MM and All Directors	Incorporate programmes and projects in the IDP	March 2017
APPROVAL PHASE			
Tabling of the Draft IDP and Budget in Council	Executive Mayor	Approved IDP, budget and Service Delivery and Budget Implementation Plan	March 2017
Submission of draft IDP and budget to relevant institutions	IDP/Budget Office/MM		April 2017
Budget and Benchmark Assessments	IDP Office, MM and All Directors		April – May 2017
<b>Second round of public participation:</b>  Invite public comments on Draft IDP and Budget including Road shows in all of the 8 wards;  To provide feedback on current and future IDP projects as proposed by communities; and  To create an opportunity for inputs on key highlights & proposals from the Draft Budget	ALL		April/May2017

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
District IDP Managers' Forum	IDP Office		May 2017
Council meeting to adopt final IDP, Budget and Budget Related Policies	Council		May 2017
Submission of Final IDP and budget to relevant institutions	IDP/Budget Office/MM		May/June 2017
Approved IDP and Budget made public	IDP/Budget Office		June 2017
Finalisation and submission of draft 2017/18 SDBIP and annual performance agreement by Municipal Manager to the Executive Mayor.	MM	Approved SDBIP and annual performance agreements	June/July 2017
Executive Mayor approves the 2017/18 SDBIP and annual performance agreements of the Municipal Manager and Senior Managers within 28 days after the approval of the IDP and budget.	Mayor		June/July 2017
Submit the approved SDBIP and performance agreements to MEC Local Government within 14 days after approval	MM/ IDP/Budget Office		July/August 2017
MONITORING AND EVALUATION PHASE			
Commence with the compilation of the Annual Report 2016/2017	IDP Office & Directorates	Compile annual report	July 2017 - March 2018
Quarterly SDBIP performance progress report for first quarter of 2017/18 to Council	IDP/Budget Office	SDBIP performance report noted	October 2017
Section 56/57 Managers' half-yearly evaluations for 2017/18	MM & Mayor	Performance evaluated	January- March 2018
Mid-year budget and performance assessment <b>MFMA Section 72 (1)(2)(3)</b>	MM/ IDP/Budget Office	Mid-Term finance and service delivery performance report compliant to MFMA	January 2018
Executive Mayor tables the Annual Report 2016/2017 <b>MFMA Section 127 (2)</b>	Mayor	Annual Report 2016/2017 tabled	January 2018

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
Executive Mayor tables adjustments budget for approval by Council <b>MFMA Section 28</b>	Mayor	Approve 2017/2018 adjustments budget	February 2018
Annual Report and adjustments budget made public ( <b>invite public inputs on the Annual Report - MFMA 127 &amp; MSA section 21A</b> )	MM	Annual report and adjustments budget made public	February/March 2018
Council adopts Annual & Oversight Report by 31 March <b>MFMA Section 129(1)</b>	MM & Mayor	Oversight report approved	March 2018
Adopted Annual Report including Oversight Report made public within seven days of adoption <b>MFMA Section 129(3) &amp; MSA Section 21A</b>	MM		April 2018
Within seven days of adoption of Annual & Oversight Report submit to Provincial Legislature and relevant MECs	MM		April 2018
Quarterly SDBIP performance progress report for third quarter of 2017/2018 to Council	IDP/Budget Office	SDBIP performance report noted	April 2018
Quarterly SDBIP performance progress report for fourth quarter of 2017/2018 to Council	IDP/Budget Office	SDBIP performance report noted	July 2018
Section 56/57 Managers' Annual Performance Evaluations for 2017/2018	MM & Mayor	Performance evaluated	July- September 2018

### **Tabling of the draft budget**

The initial draft budget must be tabled by the mayor before council for review by 31 March.

Once tabled at council, the municipal manager must make public the appropriate budget documentation and submit it to both the national and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

The municipal budget was tabled before Council on 31 March 2017.

### **Consultation with the community and key stakeholders**

When the draft budget is tabled, council must consider the views of the local community, the national and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

The consultation with National and Provincial Treasuries regarding the MTREF is to take place during April and May 2017.

An extensive public participation process was conducted as part of the IDP and Budget Road shows. The overall objective of this road show is to ensure an authentic and inclusive public participation process for the IDP and budget. A complete report regarding the feedback on the public participation process is included in the Final IDP document.

### **Service Delivery and Budget Implementation Plan (SDBIP)**

The municipal manager must within fourteen days after the approval of the annual budget submit to the mayor for approval a draft service delivery and budget implementation plan and draft annual performance agreements for all pertinent senior staff.

A service delivery and budget implementation plan is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The mayor must approve the draft service delivery and budget implementation plan within 28 days of the approval of the annual budget.

This plan must then be monitored by the mayor and reported on to council on a regular basis. The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

Generally, councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if council has approved the project. Expenditure incurred outside of these parameters may be considered to be unauthorised or, in some cases, irregular or fruitless and wasteful.

# **CHAPTER 5: OVERVIEW OF ALIGNMENT OF THE ANNUAL BUDGET**

## Alignment of Annual Budget with IDP

Local priorities were identified as part of the IDP process which is directly aligned to that of national and provincial priorities.

The IDP strategic objectives and goals are set out in the IDP document.

Kgetlengrivier is a municipality for all reasons and this along with the strategic vision and mission has led to the conceptualisation of five strategic goals.

These strategic goals are set to become the catalysts to ensure that the vision and mission is achieved in the next five years.

The municipality's IDP contains the medium-term focus areas for development. These focus areas set the agenda for resource planning and allocation over the medium term.

Council has set the following priorities:

- ✚ A safe, clean and green municipality;
- ✚ A well-governed and managed municipality;
- ✚ Housing and services; and
- ✚ Economic growth and job creation.
- ✚ Deliver more and better services in a caring and efficient manner;
- ✚ Hold political office bearers and public servants accountable;
- ✚ Shift resources to new priorities;
- ✚ Move from debate to effective implementation and decisive action; and
- ✚ Work in partnership with communities, labour and business to achieve our shared objectives.

The 2017/8 budget continues to address the following IDP interventions:

### Local Economic Development

- ✚ A budget of **R 4.3 million** from EPWP and own funding has been allocated for L.E.D projects and SMME development and career exhibition expo have also been planned.
- ✚ In the 2017/18 financial year, Kgetlengrivier Municipality intends to:
  - ✚ Resuscitate L.E.D projects that were previously initiated.
- ✚ Encourage small businesses, women and youth to form cooperatives.
- ✚ Implement its LED Strategy effectively in the 2017/18 financial years, through initiating ward based projects throughout the Municipality.
- ✚ Exploit all possibilities to source funds from Development Finance Institutions such as DTI, NDA, Mines, Donors, etc and big businesses on behalf of promising SMMEs in the Municipality.

- ✚ Build enough institutional capacity to establish effective Tourism, Agriculture and LED forums.
- ✚ Insist on encouraging the Municipality to register all its infrastructure development projects with EPWP from which general public can participate, learn while also building enough capacity to create new entrepreneurs.
- ✚ Request assistance from institutions such as CIDB, NHBRC and SEDA to train emerging contractors in construction and facilitate their accreditation.
- ✚ Develop an Investment Incentive Scheme/Policy so as to attract new investment in the Municipality.
- ✚ Land availability for NGOs and Churches

### Infrastructure and Service delivery

This KPA is performed through Technical Services and Community Services Directorates. The municipality renders the following basic services to the residents in the urban areas; Water Provision; Sewerage Disposal; Refuse Removal and Electricity Provision. Other services rendered by the municipality to residents, include; Streets and Storm Water, Parks, Sports and Recreational Facilities; Cemeteries, Libraries, Primary Health Care, Traffic Control, Housing and Town Planning.

Households with access to basic services in Kgetlengrivier as compared to the North West Province (ranking 7 nationally) are depicted in the table below;

	North West	Kgetlengrivier	Backlog
<b>Electricity</b>	78,3%	63,5%	36,5%
<b>Piped water</b>	89,9%	80,8%	19,2%
<b>Full or intermediate sanitation</b>	53,4%	87,5%	12,5%
<b>Refuse removal Services</b>	48,81%	47,5%	52,5%

The 2017/18 MTREF has therefore been directly informed by the IDP.

**Refer SA 4 - SA 6** tables provide reconciliation between the IDP strategic objectives and goals.



NW374 Kgetlengrivier - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Rwanda Integrated Water Supporting Public Service Reconstruction and Development Strategic Objectives and Budget (Revenue)												
Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand												
Good Governance and Public Participation	Sustainable service delivery			46 026	50 398	90 881	66 241	62 494	62 494	70 879	81 401	88 722
Administration and Management	Sustainable service delivery			7 944	2 526	868	7 992	4 505	4 505			
Financial Viability	Sustainable service delivery			16 992	19 031	19 685	18 242	24 257	24 257	26 868	31 121	33 033
Institutional Development and Organizational Transformation	Sustainable service delivery			1 000	2 208		687					
Libraries and Archives	Access to libraries			572	671		1 118	1 317	1 317	1 352	1 453	1 534
Disaster Management	Interventions during emergencies				72		1 890	–	–	14	14	15
Community halls and Facilities	Access to halls and social facilities					78	73	–	–	144	153	161
Cemeteries	Burial services						1 997	83	83	77	82	86
LED	LED and Planning			22 658	21 376		1 146	121	121	–	–	
Road and Stormwater				6 942	5 078		11 449					
Sport and recreation	Access to recreational facilities			25 989	27 258		34 108	1 737	1 737	1 365	3	4
Planning and development	Sustainable service delivery			17 372	15 107		9 099	3 247	3 247	1 312	1 378	1 447
Roads and Traffic Management'	Trafficable and safe roads			3 001	3 205	29 814	5 801	18 761	18 761	33 034	34 917	36 873
Electricity	Access to basic electricity			1 601	1 711	29 415	3 748	41 103	41 103	42 845	44 999	57 260
Water Provision	Access to portable water					5 484	–	12 099	12 099	9 681	10 233	10 806
Sewer Treatment and Sanitation	Access to decent and acceptable sanitation				–	3 360		5 801	5 801	6 172	6 524	6 889
Solid Waste and removal	Clean and safe environment		2			1 821	–	3 748	3 748	3 987	4 215	4 451
Total Revenue (excluding capital transfers and contributions)			1	150 098	148 641	181 406	163 590	179 272	179 272	197 732	216 493	241 281

NW374 Kgetlengrivier - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousand													
Good Governance and Public Participation	Sustainable service delivery			43 058	44 356	47 158	31 835	30 773	30 773	31 987	33 168	35 240	
Administration and Management	Sustainable service delivery			70 335	96 401	68 819	12 462	20 767	20 767	16 446	17 441	18 462	
Financial Viability	Sustainable service delivery			31 399	23 138	69 598	17 903	24 453	24 453	17 899	19 986	21 260	
Institutional Development and Organizational Transformation	Sustainable service delivery						–					–	
Libraries and Archives	Access to libraries						1 118	1 118	1 118	1 306	1 394	1 483	
Disaster Management	Interventions during emergencies							–	–	–	–	–	
Community halls and Facilities	Access to halls and social facilities						3 004	–	–	–	–	–	
Cemeteries	Burial services						1 441	1 409	1 409	1 546	1 651	1 757	
Public Works							4 550	4 550	4 550	7 858	8 156	8 461	
LED	LED and Planning				5 240		–	687	687	4 734	4 779	4 826	
Road and Stormwater				–	–		21 878	16 071	16 071	11 069	12 419	12 816	
Sport and recreation	Access to recreational facilities				27 623	–		2 962	2 962	2 179	2 328	2 448	
Planning and development	Sustainable service delivery				805	–	1 236	–	–	–	–	–	
Roads and Traffic Management'	Trafficable and safe roads			2 158	–	–	6 441	9 041	9 041	13 800	14 428	15 065	
Electricity	Access to basic electricity			20 406	–	28 380	34 108	31 287	31 287	37 820	40 758	41 723	
Water Provision	Access to portable water			–	–	1 529	10 482	22 495	22 495	20 949	23 065	23 216	
Sewer Treatment and Sanitation	Access to decent and acceptable sanitation			–			8 072	19 449	19 449	14 058	14 915	15 792	
Solid Waste and removal	Clean and safe environment						3 529	3 574	3 574	3 777	4 020	4 295	
Allocations to other priorities													
Total Expenditure				1	167 355	197 563	215 484	158 060	188 634	188 634	185 428	198 509	206 843

NW374 Kgetlengrivier - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand												
Institutional Development and Organizational Transformation	Sustainable service delivery	A	3	22 520	2 460	1 825						
Cemeteries	Burial services	B					3 500	3 500	3 500	–		
Roads & Stormwater	Access to roads	C		41 356	35 631	48 677	17 969	17 969	17 969	20 965	26 178	27 499
Electricity	Access to basic electricity	D		–	–							
Water Provision	Access to portable water	E		–			3 800 9 500	3 800 9 500	3 800 9 500	23 962	25 000	
Sewer Treatment and Sanitation	Access to decent and acceptable sanitation	F		–								30 000
Solid Waste and removal	Clean and safe environment	G		–								
Sports & Recreation	Parks & Recreation	H								7 500	10 000	11 000
Allocations to other priorities			1									
Total Capital Expenditure			1	63 876	38 090	50 503	34 769	34 769	34 769	44 927	51 178	57 499

# **CHAPTER 6:**

## **MEASURABLE PERFORMANCE**

### **OBJECTIVES AND INDICATORS**

CHAPTER 5: MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

NW374 Kgetlengrivier - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4,4%	2,5%	2,9%	0,3%	0,3%	0,3%	0,3%	0,3%	0,3%	0,3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	14,8%	7,9%	7,0%	0,5%	0,5%	0,5%	0,5%	0,4%	0,4%	0,4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	0,8	0,7	0,7	2,3	2,3	2,3	2,3	1,5	1,1	1,3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,8	0,7	0,7	2,3	2,3	2,3	2,3	1,5	1,1	1,3
Liquidity Ratio	Monetary Assets/Current Liabilities	0,0	0,0	0,0	0,2	0,2	0,2	0,2	0,1	0,1	0,0
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		103,8%	84,3%	4,0%	80,7%	81,4%	81,4%	81,4%	73,6%	77,7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		103,8%	84,3%	4,0%	80,7%	81,4%	81,4%	81,4%	73,6%	77,7%	90,2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	17,0%	26,2%	27,2%	49,5%	45,2%	45,2%	45,2%	43,9%	33,7%	32,6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		4939,8%	4838,3%	3469,1%	752,9%	752,9%	752,9%	752,9%	707,7%	216,7%	62,7%
<u>Other Indicators</u>											
	Total Volume Losses (kW)										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated										
	Total Volume Losses (kℓ)										
Water Distribution Losses (2)	Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	29,7%	30,5%	25,8%	26,5%	24,2%	24,2%	24,2%	23,5%	23,0%	21,9%

Remuneration	Total remuneration/(Total Revenue - capital revenue)	35,9%	37,4%	31,3%	26,4%	24,0%	24,0%		26,1%	25,5%	24,3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5,7%	4,2%	9,1%	5,8%	5,3%	5,3%		8,8%	8,6%	7,8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	24,7%	41,3%	27,0%	14,6%	13,3%	13,3%	13,3%	14,9%	15,6%	14,2%
<u>IDP regulation financial viability indicators</u>	-										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	167,6	4,5	28,5	29,7	29,7	29,7	51,2	40,8	33,2	35,0
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	53,2%	71,3%	91,8%	126,1%	127,3%	127,3%	127,3%	130,0%	104,0%	106,9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0,2	0,2	0,3	1,0	0,9	0,9	0,9	0,9	2,2	5,9

# **CHAPTER 7:**

## **OVERVIEW OF ALIGNMENT OF**

### **THE BUDGET RELATED POLICIES**

### **Overview of budget related policies**

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Section 17 (3) (e) of the Municipal Finance Management Act, (Act No 56 of 2003) prescribes that the Municipality must review the budget related policies annually. Herewith follows suggested changes to Council's budget related policies.

The budget committee considered amendments to various policies and the following budget related policies were reviewed:

- Credit control and debt collection policy
- Indigent Policy
- Tariffs Policy
- Property rates policy and By law
- Bad debts write off policy
- Budget control and virement policy

The Budget Committee has indicated that the finalization of the draft policy changes will be finalized after the budget consultation process is completed. The draft policies are contained in the budget document and placed on municipal website for public comment.

### **Refer to annexure A**



# CHAPTER 8: TARIFF LIST



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**KGETLENGRIVIER LOCAL MUNICIPALITY**

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**PROPOSED TARIFF LIST FOR PROPERTY RATES AND  
SERVICE CHARGES**

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**2017-18**

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**PROPOSED**

# TARIFF LIST FOR PROPERTY RATES AND SERVICE CHARGES

## 2017-18 FINANCIAL YEAR

The tariffs summarised for the financial year **1 July 2017 to 30 June 2018** are as follows:

1. PROPERTY RATES				
CATEGORY	Rate as approved by Council 2016/17	increase (6.4%)	Rate as Proposed 2016/17	Exemptions, Reductions & Rebates
Residential	0.00528	0.00033792	0.00561792	A total rebate of R17 000 will be granted on the value of the property (R15 000 impermissible according to the Municipal Property Rates Act plus a further R2 000 according to the municipality's Property Rates Policy)
Business, Commercial and Industrial	0.0127	0.0008128	0.0135128	A maximum of 10% reduction will be given upon submission and approval of the application.
Agricultural	R0.00132	0.00008448	R0.00140	75% of the market value on agriculture property will be phased in as per requirements of MPRA.
State-Owned	R0.0127	0.0008128	R0.0135	
Public Service Infrastructure	R0.001267	0.000081	R0.001348	75% of public service infrastructure property will be phased in as per requirements of MPRA
Undeveloped residential sites	R0.0074	0.0004736	R0.0079	
Undeveloped business sites	R0.0158	R0.0010	R0.0168	

### EXEMPTIONS, REDUCTIONS AND REBATES:

Exemptions, Reduction and Rebates will be given to the different categories of properties and owners as follows:

#### Different categories of properties

##### Residential properties

All residential properties with a market value of less than the amount as annually determined by the municipality are exempted from paying rates. **For the 2017/2018 financial year the maximum reduction is determined as R17 000.** The impermissible rates of **R15 000** contemplated in terms of section 17(1) (h) of the Property Rates Act is included in the amount referred to above as annually determined by the municipality.

The **remaining R2 000** is an important part of the council's indigent policy and is aimed primarily at alleviating poverty.

***Indigent owners***

Owners who qualify and who are registered as indigents in terms of the adopted indigent policy of the municipality, regardless of the value of the property, will receive a 100% rebate from payment of property tax.

***Child headed families***

Families headed by children with monthly income not exceeding **R3 200** will receive a **100%** rebate for paying property tax.

***Retired and Disabled Persons Rate Rebate***

Retired and Disabled Persons, not registered as indigents, qualify for special rebates according to monthly household income as follows;

- |                                     |                      |
|-------------------------------------|----------------------|
| ▪ <b>R0 to R 2400</b> per month     | - <b>100%</b> rebate |
| ▪ <b>R 2401 to R4 000</b> per month | - <b>40%</b> rebate  |
| ▪ <b>R4 001 to R5 500</b> per month | - <b>15%</b> rebate  |
| ▪ <b>R5 501 -</b>                   | - <b>No</b> rebate   |

**Business, commercial and industrial properties**

The municipality will grant rebates to ratable enterprises that promote local, social and economic development in its area of jurisdiction. Maximum rebate for the 2017-2018 financial year, has been determined at **10%**.

**Public Benefit Organizations (PBO's)**

Taking into account the effects of rates on PBOs performing a specific public benefit activity and if registered in terms of the Income Tax Act, 1962 (No 58 of 1962) for tax reduction because of those activities, Public Benefit Organizations may apply for the exemption of property rates.

**Agricultural property rebate**

The municipality will apply the standard ratio for agricultural properties as promulgated by the Minister **1:0.25 (75% rebate** on the tariff for residential properties).

Rebates based on the extent of municipal services provided to agricultural properties will be as follows;

- a. **7.5%** rebate, if there are no municipal roads next to the property
- b. **7.5%** rebate, if there is no municipal sewerage to the property
- c. **7.5%** rebate, if there is no municipal electricity

- d. **20%** rebate, if water is not supplied by the municipality
- e. **7.5%** rebate, if there is no refuse removal that is provided by the municipal

<b>FEES FOR LAND USE APPLICATIONS SUBMITTED IN TERMS OF THE PROPOSED MUNICIPAL SPATIAL PLANNING AND LAND USE BY-LAW FOR THE 2017/2018 FINANCIAL YEAR</b>		<b>TARIFF 17/18</b>
<b>APPLICATION FEES</b>		<b>FEE</b>
<b>TYPE OF APPLICATION</b>		<b>INCL VAT</b>
		<b>R</b>
1	Establishment of a township	6046.58
2	Extension of the boundaries of a township:	6046.58
3	Amendment of a township establishment application:	
(a)	If already approved by the Municipality	6046.58
(b)	If not already approved by the Municipality	3023.34
4	Division of township/ phasing	3023.34
5	Rezoning:	
(a)	One erf	4534.95
(b)	Every erf Additional to the First Erf/Per Erf	2095.23
6	Removal, amendment, suspension of a restrictive or obsolete condition, servitude or reservation against the title of the land	4534.95
7	Division of farm land	126.38
	Subdivision of land:	
(a)	For first five erven	1007.77
(b)	Every erf additional to the first five erven Per erf	149.29
9	Consolidation of land	1007.77
10	Subdivision and consolidation of land	1263.77
11	Permanent closure of a public place Per closure	1362.35

12	Development on communal land	4534.95
13	Consent use	1281.29
14	Temporary use: prospecting rights	4534.95
15	Temporary use: other rights	567.65
16	Material amendments to original application prior to approval/refusal	3183.00
MISCELLANEOUS FEES		
1	Erection of a second dwelling	503.89
2	Relaxation of height restriction	503.89
3	Relaxation of building line	503.89
4	Consideration of site development plan	851.01
5	Extension of validity period of approval	628.26
6	Certificates:	
(a)	Zoning certificate	61.79
(b)	Any other certificate	61.79
7	Site inspection fee	178.24
8	Reason for decision of municipal planning tribunal, land development officer or appeal authority	Free for the first copy and R56.39 thereafter.
9	Re-issuing of any notice of approval of any application	60.18
10	Deed search and copy of the title deed	60.18
11	Public Notice:	
(a)	Public Notice and advertisements in the legal section of the paper	As per Quotation
(b)	Public Notice and advertisements in the body of the paper	As per Quotation
12	Way leave application (application to determine where the Council's services are located or a specific area where new services are to be installed)	567.65
13	Intervener status	1702.94

14	Appeal fees	2838.23
15	Application for Cell phone Mast	3183.00
16	Offence	1362.35
COPIES		
1	Spatial development framework:	A4 per copy 63c
A3 per copy R1.06/		
(a)	Hard copy Per region	
(b)	In electronic format Per region	Colored copy A3 per copy R2.12

#### NOTES:

- All fees exclude advertising.
- All fees include 14% VAT.
- A further **R3 192,00** is payable on submission of the application for the Municipality to give a promulgation notice of the notice of a township in Government, Gazette, unless the applicant is given permission to place the notices;
- The Principle of joint press notices is accepted although application fees must be paid in full for every application (applications cannot be jointly submitted, i.e. unique amendment scheme number for each application);
- If an application is submitted on Council land on behalf of Council or where Council is the developer/co-developer, no application fees are payable;
- Application fees will only be returned if the application processing has not been initiated. Partial refunds will not be considered; and
- A general principle will still apply that the total fee will still be charged if the applicant is given permission to circulate the application externally.

## 1. ELECTRICITY

### 1. ELECTRICITY

CATEGORY		2016/ 17 NERSA APPROVED	PROPOSED 2017/18	%NERSA INCREASE
<b>DOMESTIC TARIFFS</b>				
<b><i>Residential Prepaid: Lifeline</i></b>				
Energy Charge (kwh)	Block 1 (0-50Kwh)	84,93	86,53	1,88%
	Block 2 (51-350kwh)	107	109,01	1,88%
	Block 3 (351-600kwh)	141,55	144,21	1,88%
	Block 4 (>600kwh)	154,04	156,94	1,88%
<b><i>Residential Conventional: Lifeline</i></b>				1,88%
Energy Charge (kwh)	Block 1 (0-50Kwh)	85,75	87,36	1,88%
	Block 2 (51-350kwh)	117,92	120,14	1,88%
	Block 3 (351-600kwh)	141,8	144,47	1,88%
	Block 4 (>600kwh)	154,04	156,94	1,88%
Basic Charge		180,47	183,86	1,88%
<b>COMMERCIAL TARIFFS</b>				
<b><i>Commercial Prepaid: Lifeline</i></b>				
Basic Charge (R/m)		313,93	319,83	1,88%
Energy Charge (kwh)		183,36	186,81	1,88%



<b>Commercial conventional Single Phase</b>				
Basic Charge (R/m)		349,17	355,73	1,88%
Energy Charge (kwh)		155,43	158,35	1,88%
<b>Government/Mine town</b>				
Basic Charge (R/m)		349,17	355,73	1,88%
Energy Charge (kwh)		155,43	158,35	1,88%
Municipal		191,88	195,49	1,88%
Energy Charge (kwh)				1,88%
<b>INDUSTRIAL TARIFFS</b>				
<b>Industrial/Municipal</b>				
Basic Charge (R/m)		1 666,79	1 698,13	1,88%
Energy Charge (kwh)		115,55	117,72	1,88%
Demand Charge (R/kVA)		192,61	196,23	1,88%

## 2. SEWER

TARIFF DESCRIPTION	APPROVED 2016/17	PROPOSED 2017/18	INCREASE CPI %
Sewer Basic: Governmental	162.72	173.13	6.40%
Sewer Basic: Residential	32.57	34.65	6.40%
Sewer Basic: Business	195.26	207.76	6.40%
Sewer Basic: Empty Stand	39.07	41.57	6.40%
Sewer Usage: Suctions Business	77.41	82.36	6.40%
Sewer Basic: Per Living Unit	39.06	41.56	6.40%
Sewer Basic: Hospital	2 607.52	2 774.40	6.40%
Sewer Basic: Institutions	1952.77	2 077.75	6.40%
Sewer: Residential	13.05	13.89	6.40%
Sewer: Business	162.72	173.13	6.40%
Sewer Usage: Suctions Residential	52.11	55.45	6.40%
Sewer: Bucket	32.59	34.68	6.40%
Sewer: Per Living Unit	13.05	13.89	6.40%
Sewer: Hospital	1627.01	1 731.14	6.40%
Sewer: Institutions	976.21	1 038.69	6.40%
Sewer: Business Low water usage	32.84	34.94	6.40%
SEWERAGE BUCKET - BUSINESS	45.98	48.92	6.40%
Sewer Basic: Business low water usage	98.50	104.80	6.40%
Sewer: USAGE - ABATTOIR & SPOORNET	650.85	692.50	6.40%
Sewer: Basic Station	1301.67	1 384.98	6.40%
Sewer: BASIC - DAY CARE CENTRE	65.08	69.25	6.40%
Sewer: Usage - DIE UITSPANNING	420.87	447.81	6.40%
Sewer: Basic - DIE UITSPANNING	1050.92	1 118.18	6.40%

3. WATER			
TARIFF DESCRIPTION	APPROVED 2016/17	PROPOSED 2017/18	INCREASE CPI %
Water Basic: Residential	15.78	16.79	6.40%
Water Basic: Empty Stand	36.24	38.56	6.40%
Water Basic: Business	22.56	24.00	6.40%
Water: Departmental	2.84	3.02	6.40%
Water: Business	8.26	8.79	6.40%
Water: Residential -6KL Free (Indigents Only)	0.00	0.00	
Water: Old Age Home	8.26	8.79	6.40%
Water: Consumer	8.26	8.79	6.40%

**NB: The free R6kl per month per household is ONLY applicable to Indigent Households as per approved indigent register**

#### 4. REFUSE REMOVAL

TARIFF DESCRIPTION	APPROVED 2016/17	PROPOSED 2017/18	INCREASE CPI %
Refuse: Residential	32.21	34.27	6.40%
Refuse: Business	48.81	51.93	6.40%

#### 5. MISCELLANEOUS CHARGES

NB: ALL miscellaneous charges shall increase by 6.4%

#### 6. PERCENTAGE INCREASE GUIDELINES

- Consumer Price inflation (CPI) - 6.4%
- Nersa Municipal guideline – 1.88%

# CHAPTER 9:

## OVERVIEW OF BUDGET ASSUMPTIONS

## Budget Assumptions

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. This section provides a comprehensive summary of all the assumptions used in preparing the budget.

### National Treasury MFMA Circular No 85 & 86

These Circulars was issued on 09 December 2016 and 08 March 2017 respectively, and it provides further guidance to municipalities for the preparation of the 2017/18 budget and MTREF and was used in preparing this budget.

### Inflation Outlook

In MFMA Circular No 86, inflation forecasts are estimated at 6.5%, 5.7% and 5.6% respectively for the years 2018 to 2020.

### Rates, tariffs, charges and timing of revenue collection

The Budget Committee made use of tariff modelling to calculate realistic tariff increases. Although the budget committee endeavoured to contain the increase within the 6.4% upper boundary of the South African Reserve Bank's inflation target, the model indicated that this might not possible. In order to have a funded budget the tariff increases must be above SARB target.

The cash flow statement shows when rates and tariffs are expected to be collected over the financial year. In general terms, the timing of rates, tariffs and charges is based on the following;

Rates	Monthly billing. Interim billing throughout the year
Tariffs	Monthly billing. On-going prepayment meters. Seasonal fluctuations.
Charges	Generally steady state throughout the financial year with seasonal fluctuations.

### Collection rates for each revenue source and customer type.

The following bad debt provisions and collection rates are assumed in the MTREF for rates and tariffs.

	2016/17	2017/18	2018/19
Provision for bad and doubtful debts			
Assumed collection rate			
Water	45	55	60
Electricity	85	90	95
Property rates	75	80	85

Sanitation	40	50	60
Refuse Removal	40	50	60
Traffic fines	85	85	85
Interest on outstanding debts	10	20	35

#### Average salary increases

The MTREF includes the following average percentage increases for wages and salary and for councillors' allowances;

	2017/18	2018/19	2019/20
Councillors	43,274	45,741	48,303
Staff	4,846	5,122	5,409

#### Industrial relations climate, reorganisation and capacity building

The ability of the Municipality to deliver quality services is virtually entirely dependent on its staff. Failure by the Municipality to invest in its staff to ensure that the capacity and skills exist to meet the challenges being faced by Kgetleng will ultimately mean a failure to deliver services.

The Municipality has made the following amounts available for training over the MTREF period.

	2017/18	2018/19	2019/20
Training budget	780	825	871

#### Trends in demand for free or subsidised basic services

Kgetlengrivier criteria for supporting free or subsidised basic services are set out in the Indigent Policy. The Government allocates revenue via the Equitable Share grant with the primary aim of assisting municipalities with the costs of providing free or subsidised basic services. Any costs over and above the Equitable Share allocation must be paid by the consumer.

Description	2016/17 (R)	2017/18 (R)
Electricity (70 units)	67.80	86.80
Water (basic charge)	15.78	16.79
Sanitation (basic charge)	32.57	34.65
Refuse (basic charge)	32.21	34.24
<b>Total</b>	<b>148.36</b>	<b>172.48</b>

### **Ability of the municipality to spend and deliver on the programmes**

By end February 2016, the Municipality has spent R34.3 million out of an adjusted capital budget of R34.3 million, equating to 72% of the total budget. Spending is monitored closely throughout the year and Directors must ensure that capital programmes are supported by robust planning. The Municipality is currently reviewing its capital planning processes and will soon implement the capital rating and ranking programme of Ignite Advisory Service.

The SDBIP includes monthly cash flows of expenditure and is used as the basis for budget monitoring. Monthly Section 71 meetings with portfolio councillor, municipal manager, directors and the budget office also forms part of the monitoring tool and directorates must give reasons for poor performance and over spending and put corrective measures in place.

### **Service level standards**

MFMA circular No. 72 indicated that all municipalities must formulate service level standards which must form part of the 2017/18 tabled MTREF budget and documentation as well as for the subsequent financial years.

A broad guideline was provided on the minimum service standards to be incorporated in the budget documentation. In addition to the guideline, a framework was developed as an outline to assist municipalities in finalising their service level standards.

It is accepted that it is not possible to have the same service level standards across all municipalities. Therefore the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances.

The municipality has complete service level standard document for the whole municipality.

Other Supporting documents

Investment Particulars by Type

NW374 Kgetlengrivier - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Parent municipality										
Securities - National Government Listed Corporate Bonds										
Deposits - Bank Deposits - Public Investment Commissioners Deposits - Corporation for Public Deposits Bankers Acceptance Certificates Negotiable Certificates of Deposit - Banks Guaranteed Endowment Policies (sinking) Repurchase Agreements - Banks Municipal Bonds		541	-	-	6 500	6 500	6 500	1 247	1 328	1 414
Municipality sub-total	1	541	-	-	6 500	6 500	6 500	1 247	1 328	1 414
Entities										
Securities - National Government Listed Corporate Bonds Deposits - Bank Deposits - Public Investment Commissioners Deposits - Corporation for Public Deposits Bankers Acceptance Certificates Negotiable Certificates of Deposit - Banks Guaranteed Endowment Policies (sinking) Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		541	-	-	6 500	6 500	6 500	1 247	1 328	1 414



Borrowings

NW374 Kgetlengrivier - Supporting Table SA17  
Borrowing

Borrowing - Categorised by type  R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Parent municipality</u>										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment		-	-	-	-	-	-	-	-	-
Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
<u>Entities</u>										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment		-	-	-	-	-	-	-	-	-
Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	-	-	-	-	-	-	-	-

References  
1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

Grants and subsidies

NW374 Kgetlengrivier - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
RECEIPTS:	1, 2									
-										
<u>Operating Transfers and Grants</u>										
National Government:		60 565	-	67 226	69 241	69 241	69 241	74 586	84 001	102 582
Local Government Equitable Share		46 026		57 478	62 494	62 494	62 494	70 879	81 401	88 722
Finance Management		1 253		1 875	2 010	2 010	2 010	2 345	2 600	2 860
Municipal Systems Improvement		896		930				-	-	1 000
EPWP Incentive		1 000		1 878	1 737	1 737	1 737	1 362	-	-
Electricity Demand Side Management				3 899	-	-	-			10 000
		-		1 166	-	-	-			
Water Services Operating Subsidy								-	-	-
ACIP & RBIG Funding		11 390			3 000	3 000	3 000	-	-	-
Provincial Government:		-	572	-	-	1 300	1 300	1 350	1 450	1 531
Library Grant			572		-	1 300	1 300	1 350	1 450	1 531
District Municipality:	5	3 946	-	-	-	1 000	1 000	-	-	-
Bojanala Platinum District Municipality		3 946			-	1 000	1 000			
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants		64 511	572	67 226	69 241	71 541	71 541	75 936	85 451	104 113
<u>Capital Transfers and Grants</u>										
National Government:		22 658	-	22 152	32 415	32 415	32 415	46 239	52 556	58 946
Municipal Infrastructure Grant (MIG)		22 658		22 152	22 915	22 915	22 915	26 239	27 556	28 946
Water Services Infrastructure Grant (MWIG)					9 500	9 500	9 500	20 000	25 000	30 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Bojanala Platinum District Municipality										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										

Total Capital Transfers and Grants	5	22 658	–	22 152	32 415	32 415	32 415	46 239	52 556	58 946
TOTAL RECEIPTS OF TRANSFERS & GRANTS		87 169	572	89 378	101 656	103 956	103 956	122 175	138 007	163 059

NW374 Kgetlengrivier - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
<b>EXPENDITURE:</b>	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		60 565	–	67 226	69 241	69 241	69 241	74 586	84 001	102 582
Local Government Equitable Share		46 026		57 478	62 494	62 494	62 494	70 879	81 401	88 722
Finance Management		1 253		1 875	2 010	2 010	2 010	2 345	2 600	2 860
Municipal Systems Improvement		896		930						1 000
EPWP Incentive		1 000		1 878	1 737	1 737	1 737	1 362		
Electricity Demand Side Management				3 899	–	–	–			10 000
		–		1 166	–	–	–			
ACIP & RBIG Funding		11 390			3 000	3 000	3 000	–	–	–
Provincial Government:		3 946	–	–	–	1 000	1 000	1 350	1 450	1 531
Library Grant		3 946			–	1 000	1 000	1 350	1 450	1 531
District Municipality:		3 946	–	–	–	1 000	1 000	–	–	–
<i>Bojanala Platinum District Municipality</i>		3 946			–	1 000	1 000			
Other grant providers:		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>										
Total operating expenditure of Transfers and Grants:		68 458	–	67 226	69 241	71 241	71 241	75 936	85 451	104 113
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		22 658	–	22 152	32 415	32 415	32 415	46 239	52 556	58 946
Municipal Infrastructure Grant (MIG)		22 658		22 152	22 915	22 915	22 915	26 239	27 556	28 946
Water Services Infrastructure Grant (MWIG)					9 500	9 500	9 500	20 000	25 000	30 000
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]										
District Municipality:		–	–	–	–	–	–	–	–	–
<i>Bojanala Platinum District Municipality</i>										
Other grant providers:		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>										
Total capital expenditure of Transfers and Grants		22 658	–	22 152	32 415	32 415	32 415	46 239	52 556	58 946
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		91 115	–	89 378	101 656	103 656	103 656	122 175	138 007	163 059

NW374 Kgetlengrivier - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description  R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Operating transfers and grants:</b>	1,3									
National Government:										
Balance unspent at beginning of the year		1 461	-	-	-	-	-	-	-	-
Current year receipts		2 540		67 226	69 241	69 241	69 241	74 586	84 001	102 582
Conditions met - transferred to revenue		4 001	-	67 226	69 241	69 241	69 241	74 586	84 001	102 582
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts						1 300	1 300	1 350	1 450	1 531
Conditions met - transferred to revenue		-	-	-	-	1 300	1 300	1 350	1 450	1 531
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts						1 000	1 000			
Conditions met - transferred to revenue		-	-	-	-	1 000	1 000	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Total operating transfers and grants revenue</b>		4 001	-	67 226	69 241	71 541	71 541	75 936	85 451	104 113
<b>Total operating transfers and grants - CTBM</b>	2	-	-	-	-	-	-	-	-	-
<b>Capital transfers and grants:</b>	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts					31 269	-	31 269	46 239	52 556	58 946
Conditions met - transferred to revenue		-	-	-	31 269	-	31 269	46 239	52 556	58 946
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Total capital transfers and grants revenue</b>		-	-	-	31 269	-	31 269	46 239	52 556	58 946
<b>Total capital transfers and grants - CTBM</b>	2	-	-	-	-	-	-	-	-	-

TOTAL TRANSFERS AND GRANTS REVENUE		4 001	-	67 226	100 510	71 541	102 810	122 175	138 007	163 059
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

## **Councillors and employee benefits**

The total remuneration has increased from R43 112 million to R51 694 million. The increase of R8,5 million can be contributed to:

- Salary increase of 7% for employees and councillors;
- Provision for 3 additional Councillors has been made;
- Provision for temporary staff members and piece workers have been budgeted for; and
- Overtime of R1,4 million

**NW374 Kgetlengrivier - Supporting Table SA22**  
**Summary councillor and staff benefits**

Summary of Employee and Councillor remuneration  R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Councillors (Political Office Bearers plus Other)</b>	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages		3 939	5 568	5 180	1 939	1 939	1 939	3 937	4 233	4 529
Pension and UIF Contributions		222	338	337	342	342	342	653	688	727
Medical Aid Contributions					107	107	107		–	–
Motor Vehicle Allowance					577	577	577	577	609	643
Cellphone Allowance					290	290	290		–	–
Housing Allowances					–	–	–		–	–
Other benefits and allowances					1 509	1 509	1 509		–	–
<b>Sub Total - Councillors</b>		<b>4 161</b>	<b>5 906</b>	<b>5 517</b>	<b>4 765</b>	<b>4 765</b>	<b>4 765</b>	<b>5 167</b>	<b>5 530</b>	<b>5 899</b>
<b>% increase</b>	4		41,9%	(6,6%)	(13,6%)	–	–	8,4%	7,0%	6,7%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		2 122	2 029	2 281	2 728	2 728	2 728	2 725	2 872	3 033
Pension and UIF Contributions		52	35	122	–	–	–	48	51	54
Medical Aid Contributions					–	–	–		–	–
Overtime					–	–	–		–	–
Performance Bonus					–	–	–		–	–
Motor Vehicle Allowance	3	743	677	623	909	909	909	959	1 011	1 067
Cellphone Allowance	3	12	46	41	64	64	64	60	63	67
Housing Allowances	3				–	–	–		–	–
Other benefits and allowances	3	547		178	36	36	36		–	–
Payments in lieu of leave					–	–	–		–	–
Long service awards					–	–	–		–	–
Post-retirement benefit obligations	6				–	–	–		–	–
<b>Sub Total - Senior Managers of Municipality</b>		<b>3 476</b>	<b>2 787</b>	<b>3 244</b>	<b>3 738</b>	<b>3 738</b>	<b>3 738</b>	<b>3 792</b>	<b>3 997</b>	<b>4 221</b>
<b>% increase</b>	4		(19,8%)	16,4%	15,2%	–	–	1,5%	5,4%	5,6%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		23 543	25 959	27 504	22 629	22 629	22 629	28 598	30 835	32 985
Pension and UIF Contributions		6 460	4 444	4 786	3 738	3 738	3 738	4 540	4 785	5 053
Medical Aid Contributions		3 860	2 233	2 546	2 439	2 439	2 439	2 546	2 683	2 833
Overtime		1 466	2 040	1 913	1 325	1 325	1 325	1 468	1 547	1 634
Performance Bonus		1 718	1 979	2 417	2 198	2 198	2 198		–	–
Motor Vehicle Allowance	3		3	–	784	784	784	2 417	2 547	2 690
Cellphone Allowance	3				65	65	65	587	619	653
Housing Allowances	3	1 515	1 460	2 101	91	91	91	2 101	2 215	2 339
Other benefits and allowances	3	333	333	374	1 339	1 339	1 339	445	469	496
Payments in lieu of leave					–	–	–	34	36	38
Long service awards					–	–	–		–	–
Post-retirement benefit obligations	6				–	–	–		–	–
<b>Sub Total - Other Municipal Staff</b>		<b>38 897</b>	<b>38 450</b>	<b>41 641</b>	<b>34 610</b>	<b>34 610</b>	<b>34 610</b>	<b>42 735</b>	<b>45 736</b>	<b>48 720</b>
<b>% increase</b>	4		(1,1%)	8,3%	(16,9%)	–	–	23,5%	7,0%	6,5%
<b>Total Parent Municipality</b>		<b>46 534</b>	<b>47 143</b>	<b>50 403</b>	<b>43 112</b>	<b>43 112</b>	<b>43 112</b>	<b>51 694</b>	<b>55 263</b>	<b>58 840</b>



NW374 Kgetlengrivier - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<u>Councillors</u>	3							
Speaker	4		249 234	46 500	24 468			320 202
Chief Whip			483 233	134 771	234 923			852 927
Executive Mayor								–
Deputy Executive Mayor								–
Executive Committee			3 204 049	471 738	318 084			3 993 871
Total for all other councillors								–
Total Councillors	8	–	3 936 516	653 009	577 475			5 167 000
<u>Senior Managers of the Municipality</u>	5							
Municipal Manager (MM)			724 920	12 600	249 444			986 964
Chief Finance Officer			548 075	11 146	249 443			808 664
Corporates Director			484 000	8 128	173 333			665 461
Community Services			484 000	8 128	173 333			665 461
Technical Sevices			484 000	8 128	173 333			665 461
								–
								–
Total Senior Managers of the Municipality	8,10	–	2 724 995	48 128	1 018 888	–		3 792 011

NW374 Kgetlengrivier - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Re f	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20
R thousand																
<u>Revenue By Source</u>	-															
Property rates		634	634	634	634	634	634	634	634	634	634	634	634	7 603	8 037	8 487
Service charges - electricity revenue		3 700	3 500	3 300	3 300	3 400	3 200	3 200	3 500	3 700	4 000	4 000	4 045	42 845	44 742	46 989
Service charges - water revenue		807	850	750	850	680	740	800	800	795	900	859	850	9 681	10 233	10 806
Service charges - sanitation revenue		364	364	364	364	364	364	364	364	364	364	364	364	4 367	4 616	4 875
Service charges - refuse revenue		182	182	182	182	182	182	182	182	182	182	182	182	2 182	2 306	2 435
Service charges - other													-	-	-	-
Rental of facilities and equipment		12	12	12	12	12	12	12	12	12	12	12	12	149	157	166
Interest earned - external investments		56	56	56	56	56	56	56	56	56	56	56	56	669	707	746
Interest earned - outstanding debtors		598	598	598	598	598	598	598	598	598	598	598	598	7 178	7 587	8 012
Dividends received													-	-	-	-
Fines, penalties and forfeits		1 000	2 400	3 000	2 200	2 200	1 800	2 080	2 000	1 750	2 000	2 000	1 820	24 250	25 633	27 068
Licences and permits		732	732	732	732	732	732	732	732	732	732	732	732	8 784	9 285	9 805
Agency services													-	-	-	-
Transfers and subsidies		20 850			18 000			22 000			13 736		1 350	75 936	85 451	104 113
Other revenue		784	784	784	784	784	784	784	784	784	784	784	784	9 413	12 541	13 290
Gains on disposal of PPE		-				4 675							-	4 675	5 198	5 489
Total Revenue (excluding capital transfers and contributions)		29 719	10 112	10 412	27 712	14 317	9 102	31 442	9 662	9 607	23 998	10 221	11 428	197 732	216 493	242 281
<u>Expenditure By Type</u>	-															
Employee related costs		3 877	3 877	3 877	3 877	3 877	3 877	3 877	3 877	3 877	3 877	3 877	3 877	46 527	49 733	52 941
Remuneration of councillors		431	431	431	431	431	431	431	431	431	431	431	431	5 167	5 530	5 899
Debt impairment		491	491	491	491	491	491	491	491	491	491	491	491	5 895	6 231	6 580
Depreciation & asset impairment													28 842	28 842	33 258	33 729
Finance charges		44	44	44	44	44	44	44	44	44	44	44	44	532	562	594
Bulk purchases		2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	27 154	27 792	28 446
Other materials		56	56	56	56	56	56	56	56	56	56	56	16 819	17 434	18 599	18 808
Contracted services		439	439	439	439	439	439	439	439	439	439	439	439	5 265	5 565	5 877
Transfers and subsidies			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		5 878	5 878	5 878	5 878	5 878	5 878	5 878	5 878	5 878	5 878	5 878	(13 385)	48 612	51 240	53 970
Loss on disposal of PPE													-	-	-	-
Total Expenditure		13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	39 821	185 428	198 509	206 843

Surplus/(Deficit)		16 240	(3 367)	(3 067)	14 233	839	(4 377)	17 963	(3 817)	(3 872)	10 519	(3 258)	(28 393)	12 305	17 983	35 438
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)													46 239	46 239	52 556	58 946
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)													-	-	-	-
Transfers and subsidies - capital (in-kind - all)													40 247	40 247	30 143	151
Surplus/(Deficit) after capital transfers & contributions		16 240	(3 367)	(3 067)	14 233	839	(4 377)	17 963	(3 817)	(3 872)	10 519	(3 258)	58 093	98 791	100 682	94 535
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	16 240	(3 367)	(3 067)	14 233	839	(4 377)	17 963	(3 817)	(3 872)	10 519	(3 258)	58 093	98 791	100 682	94 535

**NW374 Kgetlengrivier - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)**

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue by Vote</b>	-															
Vote 1 - Governance and Administration		2 500			28 500			25 000			14 879		-	70 879	81 401	88 722
Vote 2 - Corporate Services													-	-	-	1 000
Vote 3 - Finance and Administration		7 500				5 000			8 000			6 368	-	26 868	31 121	33 033
Vote 4 - Public Safety		2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	33 048	34 932	36 888
Vote 5 - Planning and Economic Development													-	-	-	-
Vote 6 - Community and Social Services		132	132	132	132	132	132	132	132	132	132	132	1 482	2 937	1 688	1 782
Vote 7 - Sports and Recreation		0	0	0	0	0	0	0	0	0	0	0	0	3	3	3
Vote 8 - Housing													-	-	-	-
Vote 9 - Environmental Management													-	-	-	-
Vote 10 - Roads and Transport		109	109	109	109	109	109	109	109	109	109	109	109	1 312	1 378	1 447
Vote 11 - Electricity		3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	42 845	44 999	57 260
Vote 12 - Waste Water Management(Sanitation)		514	514	514	514	514	514	514	514	514	514	514	514	6 172	6 524	6 889
Vote 13 - Water		807	807	807	807	807	807	807	807	807	807	807	807	9 681	10 233	10 806
Vote 14 - Solid Waste Management(Refuse) 0		332	332	332	332	332	332	332	332	332	332	332	332	3 987	4 215	4 451
													-	-	-	-
<b>Total Revenue by Vote</b>		<b>18 220</b>	<b>8 220</b>	<b>8 220</b>	<b>36 720</b>	<b>13 220</b>	<b>8 220</b>	<b>33 220</b>	<b>16 220</b>	<b>8 220</b>	<b>23 099</b>	<b>14 588</b>	<b>9 570</b>	<b>197 732</b>	<b>216 493</b>	<b>242 281</b>
<b>Expenditure by Vote to be appropriated</b>	-															
Vote 1 - Governance and Administration		2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	31 987	33 168	35 240
Vote 2 - Corporate Services		1 371	1 371	1 371	1 371	1 371	1 371	1 371	1 371	1 371	1 371	1 371	1 371	16 446	17 441	18 462
Vote 3 - Finance and Administration		1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	17 899	19 986	21 260
Vote 4 - Public Safety		1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	13 800	14 428	15 065
Vote 5 - Planning and Economic Development		394	394	394	394	394	394	394	394	394	394	394	394	4 734	4 779	4 826
Vote 6 - Community and Social Services		893	893	893	893	893	893	893	893	893	893	893	893	10 710	11 202	11 701
Vote 7 - Sports and Recreation		182	182	182	182	182	182	182	182	182	182	182	182	2 179	2 328	2 448
Vote 8 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Environmental Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Roads and Transport		922	922	922	922	922	922	922	922	922	922	922	922	11 069	12 419	12 816
Vote 11 - Electricity		3 360	3 360	3 360	3 360	3 360	3 360	3 360	3 360	3 360	3 360	3 360	860	37 820	40 758	41 723

Vote 12 - Waste Water Management(Sanitation)		1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	14 058	14 915	15 792
Vote 13 - Water		1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	20 949	23 065	23 216
Vote 14 - Solid Waste Management(Refuse)		315	315	315	315	315	315	315	315	315	315	315	315	3 777	4 020	4 295
0													-	-	-	-
Total Expenditure by Vote		15 882	15 882	15 882	15 882	15 882	15 882	15 882	15 882	15 882	15 882	15 882	13 382	185 428	198 509	206 843
Surplus/(Deficit) before assoc.		2 337	(7 663)	(7 663)	20 837	(2 663)	(7 663)	17 337	337	(7 663)	7 216	(1 294)	(3 813)	12 305	17 983	35 438
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	2 337	(7 663)	(7 663)	20 837	(2 663)	(7 663)	17 337	337	(7 663)	7 216	(1 294)	(3 813)	12 305	17 983	35 438

NW374 Kgetlengrivier - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
<b>Revenue - Functional</b>	-															
<i>Governance and administration</i>		10 000	-	-	28 500	5 000	-	25 000	8 000	-	14 879	6 368	-	97 747	112 522	122 755
Executive and council		2 500			28 500			25 000			14 879		-	70 879	81 401	88 722
Finance and administration		7 500				5 000			8 000			6 368	-	26 868	31 121	34 033
Internal audit													-	-	-	-
<i>Community and public safety</i>		132	132	132	132	132	132	132	132	132	132	132	1 496	2 953	1 705	1 800
Community and social services		132	132	132	132	132	132	132	132	132	132	132	1 496	2 950	1 702	1 797
Sport and recreation		0	0	0	0	0	0	0	0	0	0	0	0	3	3	3
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		2 863	2 863	2 863	2 863	2 863	2 863	2 863	2 863	2 863	2 863	2 863	2 850	34 346	36 295	38 320
Planning and development		109	109	109	109	109	109	109	109	109	109	109	109	1 312	1 378	1 447
Road transport		2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 754	2 740	33 034	34 917	36 873
Environmental protection													-	-	-	-
<i>Trading services</i>		5 224	5 224	5 224	5 224	5 224	5 224	5 224	5 224	5 224	5 224	5 224	5 224	62 686	65 971	79 406
Energy sources		3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	3 570	42 845	44 999	57 260
Water management		807	807	807	807	807	807	807	807	807	807	807	807	9 681	10 233	10 806
Waste water management		514	514	514	514	514	514	514	514	514	514	514	514	6 172	6 524	6 889
Waste management		332	332	332	332	332	332	332	332	332	332	332	332	3 987	4 215	4 451
<i>Other</i>													-	-	-	-
Total Revenue - Functional		18 220	8 220	8 220	36 720	13 220	8 220	33 220	16 220	8 220	23 099	14 588	9 570	197 732	216 493	242 281

NW374 Kgetlengrivier - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification) (Continue)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
<b>Expenditure - Functional</b>	-															
<i>Governance and administration</i>		5 751	5 751	5 751	5 751	5 751	5 751	5 751	5 751	5 751	5 751	5 751	5 736	66 332	70 595	74 962
Executive and council		2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	2 721	31 987	33 168	35 240
Finance and administration		3 030	3 030	3 030	3 030	3 030	3 030	3 030	3 030	3 030	3 030	3 030	3 015	34 345	37 427	39 722
Internal audit													-	-	-	-
<i>Community and public safety</i>		2 224	2 224	2 224	2 224	2 224	2 224	2 224	2 224	2 224	2 224	2 224	2 224	26 689	27 958	29 213
Community and social services		893	893	893	893	893	893	893	893	893	893	893	893	10 710	11 202	11 701
Sport and recreation		182	182	182	182	182	182	182	182	182	182	182	182	2 179	2 328	2 448
Public safety		1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	1 150	13 800	14 428	15 065
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		1 428	722	1 328	1 428	1 428	1 128	1 355	1 195	1 428	1 250	1 305	1 808	15 803	17 199	17 642
Planning and development		505	0	505	505	505	505	505	505	505	505	505	1 011	6 063	6 201	6 341
Road transport		922	722	822	922	922	622	850	690	922	745	800	797	9 739	10 998	11 301
Environmental protection													-	-	-	-
<i>Trading services</i>		6 592	6 592	6 592	6 592	6 592	6 592	6 592	6 592	6 592	6 592	6 592	4 092	76 603	82 758	85 026
Energy sources		3 360	3 360	3 360	3 360	3 360	3 360	3 360	3 360	3 360	3 360	3 360	860	37 820	40 758	41 723
Water management		1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	20 949	23 065	23 216
Waste water management		1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	14 058	14 915	15 792
Waste management		315	315	315	315	315	315	315	315	315	315	315	315	3 777	4 020	4 295
<i>Other</i>													-	-	-	-
Total Expenditure - Functional		15 994	15 289	15 894	15 994	15 994	15 694	15 922	15 762	15 994	15 817	15 872	13 860	185 428	198 509	206 843
Surplus/(Deficit) before assoc.		2 225	(7 069)	(7 675)	20 725	(2 775)	(7 475)	17 298	458	(7 775)	7 282	(1 284)	(4 291)	12 305	17 983	35 438
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	2 225	(7 069)	(7 675)	20 725	(2 775)	(7 475)	17 298	458	(7 775)	7 282	(1 284)	(4 291)	12 305	17 983	35 438

NW374 Kgetlengrivier - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Multi-year expenditure to be appropriated</u>	1															
Vote 1 - Governance and Administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Finance and Administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Environmental Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Roads and Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management(Sanitation)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Solid Waste Management(Refuse)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Single-year expenditure to be appropriated</u>																
Vote 1 - Governance and Administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Finance and Administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation		-	1 000	-	1 200	-	1 500	-	1 600	1 000	-	-	(6 300)	-	-	-
Vote 8 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Environmental Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Vote 10 - Roads and Transport		1 000		950		500		850	700		980		10 097	20 965	26 178	27 499
Vote 11 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management(Sanitation)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	30 000
Vote 13 - Water		2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	23 962	25 000	-
Vote 14 - Solid Waste Management(Refuse)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	3 488	3 488	3 438	3 688	2 988	3 988	3 338	4 788	3 488	3 468	2 488	6 285	44 927	51 178	57 499
Total Capital Expenditure	2	3 488	3 488	3 438	3 688	2 988	3 988	3 338	4 788	3 488	3 468	2 488	6 285	44 927	51 178	57 499

NW374 Kgetlengrivier - Supporting Table SA29 Budgeted monthly capital expenditure  
(functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Capital Expenditure - Functional</b>	1															
<i>Governance and administration</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1 000	-	1 200	-	1 500	-	1 600	1 000	-	-	(6 300)	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	1 000	-	1 200	-	1 500	-	1 600	1 000	-	-	(6 300)	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 000	-	950	-	500	-	850	700	-	980	-	10 097	15 077	26 178	27 499
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		1 000	-	950	-	500	-	850	700	-	980	-	10 097	20 965	26 178	27 499
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	29 850	25 000	30 000
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	2 488	23 962	25 000	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	30 000
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	2	3 488	3 488	3 438	3 688	2 988	3 988	3 338	4 788	3 488	3 468	2 488	6 285	44 927	51 178	57 499
<b>Funded by:</b>																
National Government		3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	5 257	44 927	51 178	57 499
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	5 257	44 927	51 178	57 499
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Funding</b>		3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	3 606	5 257	44 927	51 178	57 499

NW374 Kgetlengrivier - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash Receipts By Source														1		
Property rates	475	475	475	475	475	475	475	475	475	475	475	475	477	5 702	7 329	8 223
Service charges - electricity revenue	3 200	3 200	3 100	2 900	3 200	3 000	3 150	2 900	3 300	2 900	2 900	2 900	2 668	36 418	35 999	44 897
Service charges - water revenue	363	363	363	363	363	363	363	363	363	363	363	363	364	4 357	5 628	6 484
Service charges - sanitation revenue	145	145	145	145	145	145	145	145	145	145	145	145	152	1 747	3 262	4 134
Service charges - refuse revenue	71	71	71	71	71	71	71	71	71	71	71	71	92	873	2 107	2 670
Service charges - other													–			
Rental of facilities and equipment	12	12	12	12	12	12	12	12	12	12	12	12	12	149	157	166
Interest earned - external investments	56	56	56	56	56	56	56	56	56	56	56	56	55	669	707	746
Interest earned - outstanding debtors	119	119	119	119	119	119	119	119	119	119	119	119	127	1 436	2 276	3 205
Dividends received													–			
Fines, penalties and forfeits	1 700	1 800	1 800	1 600	1 600	1 800	1 680	1 700	1 700	1 700	1 700	1 680	1 853	20 613	21 788	23 008
Licences and permits	292	292	292	292	292	292	292	292	292	292	292	292	302	3 514	3 714	3 922
Agency services													–			
Transfer receipts - operational	18 000					20 000			16 000			16 879	5 057	75 936	85 451	104 113
Other revenue	78	78	78	78	78	78	78	78	78	78	78	78	83	941	1 254	1 329
Cash Receipts by Source	24 511	6 611	6 511	6 111	26 411	6 411	6 441	22 211	6 611	6 211	23 070	11 242		152 354	169 673	202 897
Other Cash Flows by Source																
Transfer receipts - capital	15 413			15 413				15 413					–	46 239	52 556	58 946
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, subsidies - capital (in-kind - all)													–			
Proceeds on disposal of PPE												4 675		4 675	5 198	5 489
Short term loans													–			
Borrowing long term/refinancing													–			
Increase (decrease) in consumer deposits													–			
Decrease (Increase) in non-current debtors													–			
Decrease (increase) in non-current investments													–			
Total Cash Receipts by Source	39 924	6 611	6 511	21 524	26 411	6 411	6 441	37 624	6 611	6 211	23 070	15 917		203 268	227 427	267 332

NW374 Kgetlengrivier - Supporting Table SA30  
Budgeted monthly cash flow (Continue)

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Cash Payments by Type</u>															
Employee related costs	3 877	4 010	4 010	4 010	4 010	4 010	4 010	4 010	4 010	4 010	4 010	2 550	46 527	49 733	52 941
Remuneration of councillors	431	404	404	404	404	404	404	404	404	404	404	698	5 167	5 530	5 899
Finance charges	44	44	44	44	44	44	44	44	44	44	44	44	532	562	594
Bulk purchases - Electricity	2 165	2 254	2 254	2 254	2 254	2 254	2 254	2 254	2 254	2 254	2 254	1 275	25 982	26 554	27 138
Bulk purchases - Water & Sewer	98	98	98	98	98	98	98	98	98	98	98	98	1 172	1 239	1 308
Other materials	1 453	56	56	56	56	56	56	56	56	56	56	15 422	17 434	18 599	18 808
Contracted services	439	439	439	439	439	439	439	439	439	439	439	439	5 265	5 565	5 877
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-			
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-			
Other expenditure	4 273	5 545	5 545	5 545	5 545	5 545	5 545	5 545	5 545	5 545	5 545	(8 446)	48 612	51 240	53 970
Cash Payments by Type	12 779	12 849	12 849	12 849	12 849	12 849	12 849	12 849	12 849	12 849	12 849	12 080	150 691	159 021	166 534
<u>Other Cash Flows/Payments by Type</u>															
Capital assets	3 744	4 000	3 053	3 853	3 853	3 853	3 853	3 853	3 853	3 853	3 853	3 304	44 927	51 178	57 499
Repayment of borrowing												-			
Other Cash Flows/Payments												-			
<b>Total Cash Payments by Type</b>	<b>16 523</b>	<b>16 849</b>	<b>15 902</b>	<b>16 702</b>	<b>16 702</b>	<b>16 702</b>	<b>16 702</b>	<b>16 702</b>	<b>16 702</b>	<b>16 702</b>	<b>16 702</b>	<b>15 384</b>	<b>195 618</b>	<b>210 199</b>	<b>224 033</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>23 401</b>	<b>(10 238)</b>	<b>(9 391)</b>	<b>4 822</b>	<b>9 709</b>	<b>(10 291)</b>	<b>(10 261)</b>	<b>20 922</b>	<b>(10 091)</b>	<b>(10 491)</b>	<b>6 368</b>	<b>534</b>	<b>7 650</b>	<b>17 228</b>	<b>43 299</b>
Cash/cash equivalents at the month/year begin:	3 487	26 888	16 650	7 259	12 081	21 790	11 498	1 237	22 159	12 068	1 576	7 944	3 487	11 138	28 366
Cash/cash equivalents at the month/year end:	26 888	16 650	7 259	12 081	21 790	11 498	1 237	22 159	12 068	1 576	7 944	8 478	11 138	28 366	71 665

External mechanisms

NW374 Kgetlengrivier - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand

**Contracts having future budgetary implications**

The municipality does not have any contracts that are beyond three years and defined in section 33 of the MFMA.

**Capital expenditure details**

The following three tables present details of the Municipality’s capital expenditure programme.

NW374 Kgetlengrivier - Supporting Table SA34a Capital expenditure on new assets  
by asset class

Description  R thousand	Ref  1	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>										
-										
<u>Infrastructure</u>		41 356	35 631	48 677	31 269	31 269	31 269	35 776	38 000	44 000
Roads Infrastructure		41 356	35 631	48 677	17 969	17 969	17 969	5 926	13 000	14 000
Roads		41 356	35 631	48 677	17 969	17 969	17 969	5 926	13 000	14 000
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water										
Conveyance										
Attenuation										
Electrical Infrastructure		-	-	-	3 800	3 800	3 800	-	-	-
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission										
Conductors										
MV Substations										
MV Switching Stations										
MV Networks					3 800	3 800	3 800			
LV Networks					-					
Capital Spares										
Water Supply Infrastructure		-	-	-	9 500	9 500	9 500	29 850	25 000	-
Dams and Weirs								29 850	25 000	
Boreholes										-
Reservoirs										
Pump Stations										
Water Treatment Works					9 500	9 500	9 500			
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	30 000
Pump Station										
Reticulation										30 000
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										

Waste Drop-off Points										
Waste Separation										
Facilities										
Electricity Generation										
Facilities										
Capital Spares										
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water										
Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and										
Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets	22 311	-	-	-	-	-	-	7 500	10 000	11 000
Community Facilities	22 311	-	-	-	-	-	-	-	-	-
Halls	22 311									
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus										
Terminals										
Capital Spares										
Sport and Recreation										
Facilities	-	-	-	-	-	-	-	7 500	10 000	11 000
Indoor Facilities										



<i>Outdoor Facilities</i>							7 500	10 000	11 000
<i>Capital Spares</i>									
<b><u>Heritage assets</u></b>	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
<b><u>Investment properties</u></b>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>									
<i>Unimproved Property</i>									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>									
<i>Unimproved Property</i>									
<b><u>Other assets</u></b>	209	2 460	1 825	-	-	-	-	-	-
Operational Buildings	209	2 460	1 825	-	-	-	-	-	-
<i>Municipal Offices</i>	209	2 460	1 825						
<i>Pay/Enquiry Points</i>									
<i>Building Plan Offices</i>									
<i>Workshops</i>									
<i>Yards</i>									
<i>Stores</i>									
<i>Laboratories</i>									
<i>Training Centres</i>									
<i>Manufacturing Plant</i>									
<i>Depots</i>									
<i>Capital Spares</i>									
Housing	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>									
<i>Social Housing</i>									
<i>Capital Spares</i>									
<b><u>Biological or Cultivated Assets</u></b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
<b><u>Intangible Assets</u></b>	-	-	-	-	-	-	-	-	-
Servitudes									
Licences and Rights	-	-	-	-	-	-	-	-	-
<i>Water Rights</i>									
<i>Effluent Licenses</i>									
<i>Solid Waste Licenses</i>									
<i>Computer Software and Applications</i>									
<i>Load Settlement</i>									
<i>Software Applications</i>									
<i>Unspecified</i>									
<b><u>Computer Equipment</u></b>	-	-	-	1 000	1 000	1 000	-	-	-
Computer Equipment				1 000	1 000	1 000			
<b><u>Furniture and Office Equipment</u></b>	-	-	-	1 300	1 300	1 300	-	-	-
Furniture and Office Equipment				1 300	1 300	1 300			

<u>Machinery and Equipment</u>		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
<u>Transport Assets</u>		-	-	-	1 200	1 200	1 200	-	-	-
Transport Assets					1 200	1 200	1 200			
<u>Libraries</u>		-	-	-	-	-	-	-	-	-
Libraries										
<u>Zoo's, Marine and Non- biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non- biological Animals										
Total Capital Expenditure on new assets	1	63 876	38 090	50 503	34 769	34 769	34 769	43 276	48 000	55 000

NW374 Kgetlengrivier - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
-										
<u>Infrastructure</u>		-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
<i>Roads</i>										
<i>Road Structures</i>										
<i>Road Furniture</i>										
<i>Capital Spares</i>										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
<i>Power Plants</i>										
<i>HV Substations</i>										
<i>HV Switching Station</i>										
<i>HV Transmission Conductors</i>										
<i>MV Substations</i>										
<i>MV Switching Stations</i>										
<i>MV Networks</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
<i>Dams and Weirs</i>										
<i>Boreholes</i>										
<i>Reservoirs</i>										
<i>Pump Stations</i>										
<i>Water Treatment Works</i>										
<i>Bulk Mains</i>										
<i>Distribution</i>										
<i>Distribution Points</i>										
<i>PRV Stations</i>										
<i>Capital Spares</i>										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
<i>Pump Station</i>										
<i>Reticulation</i>										
<i>Waste Water Treatment Works</i>										
<i>Outfall Sewers</i>										
<i>Toilet Facilities</i>										
<i>Capital Spares</i>										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
<i>Landfill Sites</i>										

Waste Transfer Stations									
Waste Processing Facilities									
Waste Drop-off Points									
Waste Separation Facilities									
Electricity Generation Facilities									
Capital Spares									
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Rail Lines									
Rail Structures									
Rail Furniture									
Drainage Collection									
Storm water Conveyance									
Attenuation									
MV Substations									
LV Networks									
Capital Spares									
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps									
Piers									
Revetments									
Promenades									
Capital Spares									
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres									
Core Layers									
Distribution Layers									
Capital Spares									
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Halls									
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations									
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries									
Cemeteries/Crematoria									
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									

<i>Capital Spares</i>									
<b><u>Heritage assets</u></b>	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
<b><u>Investment properties</u></b>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>									
<i>Unimproved Property</i>									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>									
<i>Unimproved Property</i>									
<b><u>Other assets</u></b>	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>									
<i>Pay/Enquiry Points</i>									
<i>Building Plan Offices</i>									
<i>Workshops</i>									
<i>Yards</i>									
<i>Stores</i>									
<i>Laboratories</i>									
<i>Training Centres</i>									
<i>Manufacturing Plant</i>									
<i>Depots</i>									
<i>Capital Spares</i>									
Housing	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>									
<i>Social Housing</i>									
<i>Capital Spares</i>									
<b><u>Biological or Cultivated Assets</u></b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
<b><u>Intangible Assets</u></b>	-	-	-	-	-	-	-	-	-
Servitudes									
Licences and Rights	-	-	-	-	-	-	-	-	-
<i>Water Rights</i>									
<i>Effluent Licenses</i>									
<i>Solid Waste Licenses</i>									
<i>Computer Software and Applications</i>									
<i>Load Settlement Software</i>									
<i>Applications</i>									
<i>Unspecified</i>									
<b><u>Computer Equipment</u></b>	-	-	-	-	-	-	-	-	-
Computer Equipment									
<b><u>Furniture and Office Equipment</u></b>	-	-	-	-	-	-	-	-	-

Furniture and Office Equipment										
<u>Machinery and Equipment</u>		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
<u>Transport Assets</u>		-	-	-	-	-	-	-	-	-
Transport Assets										
<u>Libraries</u>		-	-	-	-	-	-	-	-	-
Libraries										
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing assets	1	-	-	-	-	-	-	-	-	-
<i>Renewal of Existing Assets as % of total capex</i>		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<i>Renewal of Existing Assets as % of deprechn"</i>		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

NW374 Kgetlengrivier - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>										
-										
<u>Infrastructure</u>		7 394	2 782	12 079	8 960	8 960	8 960	16 795	17 924	18 096
Roads Infrastructure		7 394	100	169	2 381	2 381	2 381	1 358	1 435	1 516
<i>Roads &amp; Stormwater</i>		7 394	100	169	2 381	2 381	2 381	831	878	928
<i>BTO</i>								13	14	15
<i>Licensing &amp; Traffic</i>								-	-	-
<i>Parks &amp; Recreation</i>								508	537	567
<i>Other</i>								5	6	6
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
Electrical Infrastructure		-	326	1 132	2 518	2 518	2 518	2 307	2 439	2 575
<i>Power Plants</i>					1 134	1 134	1 134	2 307	2 439	2 575
<i>HV Substations</i>								-		
<i>HV Switching Station</i>								-		
<i>HV Transmission Conductors</i>								-		
<i>MV Substations</i>					-			-		
<i>MV Switching Stations</i>								-		
<i>MV Networks</i>								-		
<i>LV Networks</i>			326	1 132	1 385	1 385	1 385	-		
<i>Capital Spares</i>								-		
Water Supply Infrastructure		-	2 356	10 778	2 213	2 213	2 213	5 738	6 236	5 754
<i>Dams and Weirs</i>					359	359	359	5 738	6 236	5 754
<i>Boreholes</i>										
<i>Reservoirs</i>								-		
<i>Pump Stations</i>								-		
<i>Water Treatment Works</i>								-		
<i>Bulk Mains</i>								-		
<i>Distribution</i>			2 356	10 778	1 854	1 854	1 854	-		
<i>Distribution Points</i>					-			-		
<i>PRV Stations</i>										
<i>Capital Spares</i>										
Sanitation Infrastructure		-	-	-	1 549	1 549	1 549	7 074	7 478	7 896
<i>Pump Station</i>										
<i>Reticulation</i>					351	351	351	-		
<i>Waste Water Treatment Works</i>					1 198	1 198	1 198	7 074	7 478	7 896
<i>Outfall Sewers</i>										
<i>Toilet Facilities</i>										
<i>Capital Spares</i>										
Solid Waste Infrastructure		-	-	-	299	299	299	318	336	355
<i>Landfill Sites</i>										
<i>Waste Transfer Stations</i>					299	299	299	318	336	355
<i>Waste Processing Facilities</i>										

	<i>Waste Drop-off Points</i>										
	<i>Waste Separation Facilities</i>										
	<i>Electricity Generation Facilities</i>										
	<i>Capital Spares</i>										
	<b>Rail Infrastructure</b>	-	-	-	-	-	-	-	-	-	-
	<i>Rail Lines</i>										
	<i>Rail Structures</i>										
	<i>Rail Furniture</i>										
	<i>Drainage Collection</i>										
	<i>Storm water Conveyance</i>										
	<i>Attenuation</i>										
	<i>MV Substations</i>										
	<i>LV Networks</i>										
	<i>Capital Spares</i>										
	<b>Coastal Infrastructure</b>	-	-	-	-	-	-	-	-	-	-
	<i>Sand Pumps</i>										
	<i>Piers</i>										
	<i>Revetments</i>										
	<i>Promenades</i>										
	<i>Capital Spares</i>										
	<b>Information and Communication Infrastructure</b>	-	-	-	-	-	-	-	-	-	-
	<i>Data Centres</i>										
	<i>Core Layers</i>										
	<i>Distribution Layers</i>										
	<i>Capital Spares</i>										
	<b>Community Assets</b>	-	-	-	-	-	-	-	-	-	-
	<b>Community Facilities</b>	-	-	-	-	-	-	-	-	-	-
	<i>Halls</i>										
	<i>Centres</i>										
	<i>Crèches</i>										
	<i>Clinics/Care Centres</i>										
	<i>Fire/Ambulance Stations</i>										
	<i>Testing Stations</i>										
	<i>Museums</i>										
	<i>Galleries</i>										
	<i>Theatres</i>										
	<i>Libraries</i>										
	<i>Cemeteries/Crematoria</i>										
	<i>Police</i>										
	<i>Parks</i>										
	<i>Public Open Space</i>										
	<i>Nature Reserves</i>										
	<i>Public Ablution Facilities</i>										
	<i>Markets</i>										
	<i>Stalls</i>										
	<i>Abattoirs</i>										
	<i>Airports</i>										
	<i>Taxi Ranks/Bus Terminals</i>										
	<i>Capital Spares</i>										
	<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-	-	-	-
	<i>Indoor Facilities</i>										
	<i>Outdoor Facilities</i>										
	<i>Capital Spares</i>										



	1	1	1	1	1	1	1	1	1
<u>Heritage assets</u>	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
<u>Investment properties</u>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>									
<i>Unimproved Property</i>									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>									
<i>Unimproved Property</i>									
<u>Other assets</u>	-	890	819	-	-	-	66	70	74
Operational Buildings	-	890	819	-	-	-	66	70	74
<i>Municipal Offices</i>		890	819				66	70	74
<i>Pay/Enquiry Points</i>									
<i>Building Plan Offices</i>									
<i>Workshops</i>									
<i>Yards</i>									
<i>Stores</i>									
<i>Laboratories</i>									
<i>Training Centres</i>									
<i>Manufacturing Plant</i>									
<i>Depots</i>									
<i>Capital Spares</i>									
Housing	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>									
<i>Social Housing</i>									
<i>Capital Spares</i>									
<u>Biological or Cultivated Assets</u>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
<u>Intangible Assets</u>	-	-	-	-	-	-	-	-	-
Servitudes									
Licences and Rights	-	-	-	-	-	-	-	-	-
<i>Water Rights</i>									
<i>Effluent Licenses</i>									
<i>Solid Waste Licenses</i>									
<i>Computer Software and Applications</i>									
<i>Load Settlement Software Applications</i>									
<i>Unspecified</i>									
<u>Computer Equipment</u>	-	-	-	-	-	-	-	-	-
Computer Equipment									
<u>Furniture and Office Equipment</u>	-	333	427	-	-	-	-	-	-
Furniture and Office Equipment		333	427						
<u>Machinery and Equipment</u>	-	8	210	-	-	-	-	-	-
Machinery and Equipment		8	210						

<u>Transport Assets</u>		–	1 227	1 139	595	595	595	572	605	639
Transport Assets			1 227	1 139	595	595	595	572	605	639
<u>Libraries</u>		–	–	–	–	–	–	–	–	–
Libraries										
<u>Zoo's, Marine and Non-biological Animals</u>		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Total Repairs and Maintenance Expenditure	1	7 394	5 240	14 673	9 555	9 555	9 555	17 434	18 599	18 808
<i>R&amp;M as a % of PPE</i>		1,7%	0,9%	2,6%	2,6%	2,6%	2,6%	4,8%	3,3%	3,2%
<i>R&amp;M as % Operating Expenditure</i>		3,8%	2,7%	6,8%	6,0%	5,1%	5,1%	9,2%	9,9%	9,4%

NW374 Kgetlengrivier - Supporting Table SA34d Depreciation by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
<u>Depreciation by Asset Class/Sub-class</u>										
-										
<u>Infrastructure</u>		29 599	47 148	38 910	19 300	19 300	19 300	22 293	26 507	26 767
Roads Infrastructure		29 599	47 148	38 910	6 300	6 300	6 300	7 258	8 356	8 496
<i>Roads</i>		29 599	47 148	38 910	6 300	6 300	6 300	7 258	8 356	8 496
<i>Road Structures</i>										
<i>Road Furniture</i>										
<i>Capital Spares</i>										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
Electrical Infrastructure		-	-	-	3 500	3 500	3 500	8 309	10 327	10 345
<i>Power Plants</i>										
<i>HV Substations</i>										
<i>HV Switching Station</i>										
<i>HV Transmission Conductors</i>										
<i>MV Substations</i>										
<i>MV Switching Stations</i>										
<i>MV Networks</i>										
<i>LV Networks</i>					3 500	3 500	3 500	8 309	10 327	10 345
<i>Capital Spares</i>										
Water Supply Infrastructure		-	-	-	5 000	5 000	5 000	6 726	7 825	7 927
<i>Dams and Weirs</i>										
<i>Boreholes</i>										
<i>Reservoirs</i>										
<i>Pump Stations</i>										
<i>Water Treatment Works</i>										
<i>Bulk Mains</i>										
<i>Distribution</i>					5 000	5 000	5 000	6 726	7 825	7 927
<i>Distribution Points</i>										
<i>PRV Stations</i>										
<i>Capital Spares</i>										
Sanitation Infrastructure		-	-	-	4 500	4 500	4 500	-	-	-
<i>Pump Station</i>										
<i>Reticulation</i>					4 500	4 500	4 500			
<i>Waste Water Treatment Works</i>										
<i>Outfall Sewers</i>										
<i>Toilet Facilities</i>										
<i>Capital Spares</i>										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
<i>Landfill Sites</i>										
<i>Waste Transfer Stations</i>										
<i>Waste Processing Facilities</i>										
<i>Waste Drop-off Points</i>										
<i>Waste Separation Facilities</i>										
<i>Electricity Generation Facilities</i>										
<i>Capital Spares</i>										
Rail Infrastructure		-	-	-	-	-	-	-	-	-

<i>Rail Lines</i>										
<i>Rail Structures</i>										
<i>Rail Furniture</i>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
<i>MV Substations</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>										
<i>Piers</i>										
<i>Revetments</i>										
<i>Promenades</i>										
<i>Capital Spares</i>										
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Data Centres</i>										
<i>Core Layers</i>										
<i>Distribution Layers</i>										
<i>Capital Spares</i>										
<b>Community Assets</b>	-	-	-	1 800	1 800	1 800	154	163	172	
Community Facilities	-	-	-	1 800	1 800	1 800	73	77	81	
<i>Halls</i>										
<i>Centres</i>										
<i>Crèches</i>										
<i>Clinics/Care Centres</i>										
<i>Fire/Ambulance Stations</i>										
<i>Testing Stations</i>										
<i>Museums</i>										
<i>Galleries</i>										
<i>Theatres</i>										
<i>Libraries</i>				1 000	1 000	1 000				
<i>Cemeteries/Crematoria</i>				800	800	800	73	77	81	
<i>Police</i>										
<i>Parks</i>										
<i>Public Open Space</i>										
<i>Nature Reserves</i>										
<i>Public Ablution Facilities</i>										
<i>Markets</i>										
<i>Stalls</i>										
<i>Abattoirs</i>										
<i>Airports</i>										
<i>Taxi Ranks/Bus Terminals</i>										
<i>Capital Spares</i>										
Sport and Recreation Facilities	-	-	-	-	-	-	81	86	91	
<i>Indoor Facilities</i>										
<i>Outdoor Facilities</i>							81	86	91	
<i>Capital Spares</i>										
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										

Other Heritage										
<u>Investment properties</u>	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
<u>Other assets</u>	-	-	-	-	-	-	505	534	564	
Operational Buildings	-	-	-	-	-	-	505	534	564	
<i>Municipal Offices</i>							505	534	564	
<i>Pay/Enquiry Points</i>										
<i>Building Plan Offices</i>										
<i>Workshops</i>										
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										
<i>Depots</i>										
<i>Capital Spares</i>										
Housing	-	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>										
<i>Social Housing</i>										
<i>Capital Spares</i>										
<u>Biological or Cultivated Assets</u>	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<u>Intangible Assets</u>	-	-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights	-	-	-	-	-	-	-	-	-	-
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>										
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
<u>Computer Equipment</u>	-	-	-	-	-	-	-	-	-	-
Computer Equipment										
<u>Furniture and Office Equipment</u>	-	-	-	750	750	750	2 370	2 505	2 645	
Furniture and Office Equipment				750	750	750	2 370	2 505	2 645	
<u>Machinery and Equipment</u>	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment										
<u>Transport Assets</u>	-	-	-	1 498	1 498	1 498	3 403	3 426	3 450	
Transport Assets				1 498	1 498	1 498	3 403	3 426	3 450	
<u>Libraries</u>	-	-	-	-	-	-	117	124	131	
Libraries							117	124	131	
<u>Zoo's, Marine and Non-biological Animals</u>	-	-	-	-	-	-	-	-	-	-

Zoo's, Marine and Non-biological Animals										
Total Depreciation	1	29 599	47 148	38 910	23 348	23 348	23 348	28 842	33 258	33 729

NW374 Kgetlengrivier - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2017/18 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2015/16	Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																
Water Distribution		Water reticulation			Yes	<i>Water Supply Infrastructure</i>	<i>Distribution</i>		3 962			3 962			Ward 6	New
Water Distribution		Bulk Water			Yes	<i>Water Supply Infrastructure</i>	<i>Bulk Mains</i>		75 000			20 000	25 000	30 000	Ward 3	New
Roads		Construction of roads in Mazista			Yes	<i>Roads Infrastructure</i>	<i>Roads</i>		10 965			10 965			Ward 6	New
Community Halls		Multi purpose centre in Reagile Ext 8			Yes	<i>Community Facilities</i>	<i>Halls</i>		10 000				10 000		Ward 5	New
Roads		Construction of roads in Borolelo Phase 4			Yes	<i>Roads Infrastructure</i>	<i>Roads</i>		13 000				6 178		Ward 1	New
Roads		Construction of roads in Borolelo Phase 3			Yes	<i>Roads Infrastructure</i>	<i>Road Structures</i>		10 000			10 000			Ward 1	New
Roads		Construction of roads in Reagile Phase 5			Yes	<i>Roads Infrastructure</i>	<i>Road Structures</i>		10 000					10 000	Ward 4	New
Roads		Construction of roads in Reagile Phase 6			Yes	<i>Roads Infrastructure</i>	<i>Roads</i>		12 000					12 000		New
Roads		Construction of roads in Reagile Phase 7			Yes	<i>Roads Infrastructure</i>	<i>Roads</i>		11 000					5 499		New
Water Distribution		Replacement of Asbestos pipe			No	<i>Water Supply Infrastructure</i>	<i>Distribution</i>		10 000				10 000		Ward 3	Renewal
Parent Capital expenditure	1											44 927	51 178	57 499		

NW374 Kgetlengrivier - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
<b>REVENUE ITEMS:</b>											
<u>Property rates</u>	6										
Total Property Rates		4 831	7 592	7 608	7 726	7 146	7 146	7 146	8 303	8 787	9 287
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)					580	–	–	–	700	750	800
Net Property Rates		4 831	7 592	7 608	7 146	7 146	7 146	7 146	7 603	8 037	8 487
<u>Service charges - electricity revenue</u>	6										
Total Service charges - electricity revenue		25 989	27 258	29 415	43 156	42 603	42 603	41 103	46 441	48 629	51 170
less Revenue Foregone (in excess of 50 kwh per indigent household per month)									2 000	2 200	2 400
less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	1 500	1 500	1 500		1 596	1 687	1 781
Net Service charges - electricity revenue		25 989	27 258	29 415	41 656	41 103	41 103	41 103	42 845	44 742	46 989
<u>Service charges - water revenue</u>	6										
Total Service charges - water revenue		5 983	6 363	5 484	10 883	10 883	10 883	9 099	13 879	14 639	15 524
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)									2 300	2 400	2 600
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	1 784	1 784	1 784		1 898	2 006	2 118
Net Service charges - water revenue		5 983	6 363	5 484	9 099	9 099	9 099	9 099	9 681	10 233	10 806
<u>Service charges - sanitation revenue</u>	6										
Total Service charges - sanitation revenue		3 001	3 205	3 360	5 780	5 780	5 780	4 105	8 349	9 000	9 464
less Revenue Foregone (in excess of free sanitation service to indigent households)									2 200	2 500	2 600
less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	1 675	1 675	1 675		1 782	1 884	1 989
Net Service charges - sanitation revenue		3 001	3 205	3 360	4 105	4 105	4 105	4 105	4 367	4 616	4 875
<u>Service charges - refuse revenue</u>	6										
Total refuse removal revenue		1 601	1 711	1 821	2 857	2 857	2 857	2 051	4 139	4 512	4 792
Total landfill revenue											
less Revenue Foregone (in excess of one removal a week to indigent households)									1 100	1 300	1 400
less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	805	805	805		857	906	956
Net Service charges - refuse revenue		1 601	1 711	1 821	2 051	2 051	2 051	2 051	2 182	2 306	2 435
<u>Other Revenue by source</u>											
Other Revenue		4 801	1 123	868	1 385	3 232	3 232	3 232	1 563	4 244	4 528
MIG Grant		–				–	–	–			
VAT Claimable on MIG		–			4 378	4 378	4 378	4 378	7 850	8 297	8 762
							–	–		–	–



Total 'Other' Revenue	1	4 801	1 123	868	5 762	7 610	7 610	7 610	9 413	12 541	13 290
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NW374 Kgetlengrivier - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance' (Continues)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
<b>EXPENDITURE ITEMS:</b>											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	23 543	38 450	41 641	30 465	30 665	30 665	30 665	32 720	34 974	37 229
Pension and UIF Contributions		4 069			4 795	4 505	4 505	4 505	5 150	5 506	5 860
Medical Aid Contributions		5 854			2 436	2 951	2 951	2 951	2 617	2 797	2 977
Overtime		1 466			1 602	1 443	1 443	1 443	1 720	1 839	1 958
Performance Bonus		1 718			2 151	2 174	2 174	2 174	2 310	2 470	2 629
Motor Vehicle Allowance		–			1 546	1 096	1 096	1 096	1 661	1 775	1 892
Cellphone Allowance		–			106	108	108	108	114	122	130
Housing Allowances		1 515			90	263	263	263	97	104	110
Other benefits and allowances		333			129	143	143	143	138	147	158
Payments in lieu of leave		–					–	–			
Long service awards		–					–	–			
Post-retirement benefit obligations	4	–					–	–			
<i>sub-total</i>	5	38 498	38 450	41 641	43 322	43 349	43 349	43 349	46 527	49 733	52 941
<u>Less: Employees costs capitalised to PPE</u>							–	–	–	–	–
Total Employee related costs	1	38 498	38 450	41 641	43 322	43 349	43 349	43 349	46 527	49 733	52 941
<u>Contributions recognised - capital</u>											
<i>List contributions by contract</i>							–	–			
							–	–			
Total Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–
<u>Depreciation &amp; asset impairment</u>											
Depreciation of Property, Plant & Equipment		29 740	47 148	38 910	23 348	23 348	23 348	23 348	28 842	33 258	33 729
Lease amortisation		–					–	–			
Capital asset impairment		–					–	–			
Depreciation resulting from revaluation of PPE	10	–					–	–			
Total Depreciation & asset impairment	1	29 740	47 148	38 910	23 348	23 348	23 348	23 348	28 842	33 258	33 729
<u>Bulk purchases</u>											
Electricity Bulk Purchases		20 406	27 623	28 380	25 423	25 423	25 423	25 423	25 982	26 554	27 138
Water Bulk Purchases		2 158	805	1 529	1 101	1 101	1 101	1 101	1 172	1 239	1 308
Total bulk purchases	1	22 564	28 427	29 909	26 524	26 524	26 524	26 524	27 154	27 792	28 446
<u>Transfers and grants</u>											
Cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Non-cash transfers and grants		–	–	–	25 856	25 856	25 856	25 856	–	–	–
Total transfers and grants	1	–	–	–	25 856	25 856	25 856	25 856	–	–	–
<u>Contracted services</u>											
<i>Mavhambo ITS</i>			7 837	7 543	6 768	9 268	9 268	9 268	–	–	–
<i>Nashua</i>							–	–	1 455	1 335	1 217
<i>Vesta</i>							–	–	250	300	360
<i>Big Time IT Services</i>							–	–	2 000	2 350	2 700
<i>Vox Orion</i>							–	–	1 500	1 500	1 500
							–	–	60	80	100
							–	–			
							–	–			

							-	-			
<i>sub-total</i>	1	-	7 837	7 543	6 768	9 268	9 268	9 268	5 265	5 565	5 877
Allocations to organs of state:											
Electricity							-	-			
Water							-	-			
Sanitation							-	-			
Other							-	-			
Total contracted services		-	7 837	7 543	6 768	9 268	9 268	9 268	5 265	5 565	5 877
<u>Other Expenditure By Type</u>	-										
Collection costs		407					-	-			
Contributions to 'other' provisions							-	-			
Consultant fees		25 274	8 959	15 937	4 389	8 735	8 735	8 735	11 010	11 410	11 825
Audit fees		4 575	2 672	2 010	1 894	1 894	1 894	1 894	2 015	2 130	2 249
General expenses	3	31 734	29 423	25 747	5 500	7 051	7 051	7 051	38 246	40 330	42 494
<i>Repairs and Maintenance</i>		13 680	5 240	17 167	9 555	31 705	31 705	31 705	-	-	-
		-					-	-			
							-	-			
							-	-			
Total 'Other' Expenditure	1	75 670	46 295	60 861	21 337	49 384	49 384	49 384	51 272	53 870	56 568
Repairs and Maintenance by Expenditure Item	8										
Employee related costs							-	-			
Other materials							-	-	17 434	18 599	18 808
Contracted Services							-	-			
Other Expenditure		7 394	5 240	17 167	9 555	31 705	31 705	31 705	-	-	-
Total Repairs and Maintenance Expenditure	9	7 394	5 240	17 167	9 555	31 705	31 705	31 705	17 434	18 599	18 808

NW374 Kgetlengrivier - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits		541			6 500	6 500	6 500	6 500	1 247	1 328	1 414
Other current investments		–									
Total Call investment deposits	2	541	–	–	6 500	6 500	6 500	6 500	1 247	1 328	1 414
<u>Consumer debtors</u>											
Consumer debtors		14 737	112 776	140 478	98 198	98 198	98 198	98 198	150 000	125 000	110 000
Less: Provision for debt impairment			(101 898)	(124 899)	(17 214)	(17 214)	(17 214)	(17 214)	(80 050)	(70 000)	(50 000)
Total Consumer debtors	2	14 737	10 878	15 579	80 984	80 984	80 984	80 984	69 950	55 000	60 000
<u>Debt impairment provision</u>											
Balance at the beginning of the year		–			(17 214)	(17 214)	(17 214)	(17 214)	(124 899)	(80 050)	(44 050)
Contributions to the provision		–			–	–	–	–	44 849	36 000	35 000
Bad debts written off		–			–	–	–	–	–	–	–
Balance at end of year		–	–	–	(17 214)	(17 214)	(17 214)	(17 214)	(80 050)	(44 050)	(9 050)
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)		447 897	582 202	1 014 457	756 666	756 666	756 666	756 666	1 037 109	1 095 187	1 154 327
Leases recognised as PPE	3	–			–	–	–	–	–	–	–
Less: Accumulated depreciation		–		448 614	391 988	391 988	391 988	391 988	477 456	503 239	530 414
Total Property, plant and equipment (PPE)	2	447 897	582 202	565 843	364 678	364 678	364 678	364 678	559 653	591 948	623 913
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)		–									
Current portion of long-term liabilities		2 205									
Total Current liabilities - Borrowing		2 205	–	–	–	–	–	–	–	–	–
<u>Trade and other payables</u>											
Trade and other creditors		67 662	92 544	120 980	59 780	59 780	59 780	59 780	60 000	50 000	40 000
Unspent conditional transfers		–	6 470	5 740	–	–	–	–	–	–	–
VAT				43	845	845	845	845	–	–	–
Total Trade and other payables	2	67 662	99 015	126 763	60 625	60 625	60 625	60 625	60 000	50 000	40 000
<u>Non current liabilities - Borrowing</u>											
Borrowing	4								–		
Finance leases (including PPP asset element)											
Total Non current liabilities - Borrowing		–	–	–	–	–	–	–	–	–	–
<u>Provisions - non-current</u>											
Retirement benefits											
List other major provision items											
Employee Benefit Obligation		13 283	13 536	14 330	13 597	13 597	13 597	13 597	14 467	15 277	16 102
Provisions		1 719	1 818	2 026	2 903	2 903	2 903	2 903	3 089	3 262	3 438

Total Provisions - non-current		15 002	15 354	16 356	16 500	16 500	16 500	16 500	17 556	18 539	19 540
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance		308 349	606 489	571 773	445 208	445 208	445 208	445 208	648 012	648 069	675 615
GRAP adjustments		–									
Restated balance		308 349	606 489	571 773	445 208	445 208	445 208	445 208	648 012	648 069	675 615
Surplus/(Deficit)		(38 574)	(48 921)	(34 078)	5 530	(9 362)	(9 362)	(9 363)	96 131	98 052	91 937
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	269 776	557 567	537 696	450 738	435 846	435 846	435 845	744 143	746 121	767 553
<u>Reserves</u>	-										
Housing Development Fund		–									
Capital replacement		220									
Self-insurance		–									
Other reserves		–									
Revaluation		(37 122)	(35 643)	(34 969)	(37 122)	(37 122)	(37 122)	(37 122)	–	–	–
Total Reserves	2	(36 901)	(35 643)	(34 969)	(37 122)	(37 122)	(37 122)	(37 122)	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	232 874	521 924	502 727	413 616	398 724	398 724	398 723	744 143	746 121	767 553

# CHAPTER 10:

## LEGISLATION COMPLIANCE STATUS

## CHAPTER 9: LEGISLATION COMPLIANCE STATUS

The promulgation of the Municipal Finance Management Act (The Act) has brought in proficiency and control measures to local government in terms of budgeting, monitoring and accounting on public funds. The Act has had a profound effect on local government operations that required transformation in financial discipline and planning processes.

The budget preparation for 2017/18 to 2019/20 complies with most of these key requirements.

### Purpose and quality of MFMA returns

#### Section 71 Reports

- *Purpose – Status of municipal finance position*
- *Quality – The main challenge relates to reconciliation of accounts and this makes it difficult to provide the information timeously.*

#### Borrowing Monitoring Return Form

- *Purpose – Status of municipal long debt*
- *Quality – Information provided every quarter is based on confirmed balances in the previous year and payment made during the quarter.*

#### Budget Evaluation Checklist (Circular 10)

- *Purpose – Progress on compilation of budget*
- *Quality – Information is adequately provided as and when required.*

#### MFMA 12 Urgent Priorities (Circular 5)

- *Purpose – Implementation of MFMA*
- *Quality – Assessment and evaluation relating to progress made needs to be enhanced.*

#### Corporate Entities (Circular 5)

- *Purpose – To monitor compliance with S178 (2) of the MFMA*
- *Quality – The municipality does not have entities.*

#### PPP's (Circular 5)

- *Purpose – To monitor compliance with S178 (2) of the MFMA*
- *Quality – The municipality did not enter into any PPP's.*

#### Long Term Contracts

- *Purpose – To monitor compliance with S178 (2) of the MFMA*
- *Quality – Information required for this return is provided sufficiently.*

### Internal audit and audit committees


-  The municipality has established the **internal audit** unit and is sharing Audit Committee with Bojanala District Municipality.

### Risk Plans

The municipality has not performed risk assessment for the 2016-17 financial year.

### Implementation of Supply Chain Management

Preferential policy objectives identified to be met through each contract.

-  threshold values contained in the SCM Policy aligned with the values stipulated in regulation

-  Records are kept for the following;

- Written or verbal quotations received and awards made.

- Tenders and all other bids received and awards made.
- Petty Cash purchases

Supply Chain Management Unit has been established and relevant statutory reports are currently compiled.

- ✚ The entire three bid committees have established, are functional but there is lack of capacity.

#### **Tabling of Section 71 Reports in Council**

- ✚ Monthly 71 reports are tabled Council

#### **Treasury Guidelines (Gazette dated 9 April 2001)**

- ✚ Treasury Guidelines relating to financial management, and budget preparation & implementation are adhered to and this has been included in the budget policy.

#### **Performance agreements**

- ✚ Performance agreement was entered into between the Mayor and the Accounting Officer for 2016/17 financial year.
- ✚ Performance agreements were developed and entered into for 2016/17 financial year, and signed by all Section 57 managers.

#### **GRAP Implementation**

- ✚ The municipality's financial statements are prepared in accordance with GRAP standards although the AG has issued disclaimer of audit opinion for the three consecutive years. The management has developed an action plan to deal with matters raised in the Auditor General Report.
- ✚ The technical assistance of Provincial Treasury also contributed positively towards the municipality's endeavour to improve the audit opinion and the overall financial administration
- ✚ GRAP compliant Asset Register was prepared by JBFE through assistance from Provincial Treasury.

# CHAPTER 11: RESOLUTIONS



## CHAPTER 10: RESOLUTIONS

It is recommended;

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the draft annual budget of the municipality for the financial year 2017/18; and indicative allocations for the two projected outer years 2018/19 and 2019/20; and the multi-year and single year capital appropriations be approved as set-out in the following tables:
  - 1.1. Budgeted Financial Performance (revenue and expenditure by standard classification);
  - 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote);
  - 1.3. Budgeted Financial Performance (revenue by source and expenditure by type); and
  - 1.4. Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source.
2. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets be adopted as set-out in the following tables:
  - 2.1. Budgeted Financial Position;
  - 2.2. Budgeted Cash Flows;
  - 2.3. Cash backed reserves and accumulated surplus reconciliation;
  - 2.4. Asset management; and
  - 2.5. Basic service delivery measurement.
3. That in terms of section 24(2)(c)(i) and (ii) of the Municipal Finance Management Act, 56 of 2003 and sections 74 and 75A of the Local Government: Municipal Systems Act, Act 32 of 2000 as amended, the tariffs for the supply of water, electricity, waste services, sanitation services and property rates that were used to prepare the estimates of revenue by source, be approved with effect from 1 July 2017.
4. That in terms of section 24(2)(c)(iii) of the Municipal Finance Management Act, 56 of 2003, the measurable performance objectives for capital and operating expenditure by vote for each year of the medium term revenue and expenditure framework as set out **Chapter 5** be approved.
5. Community consultation take place to solicit comments of the public on the draft budget.



**COMPILED BY:  
BUDGET AND TREASURY OFFICE**

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